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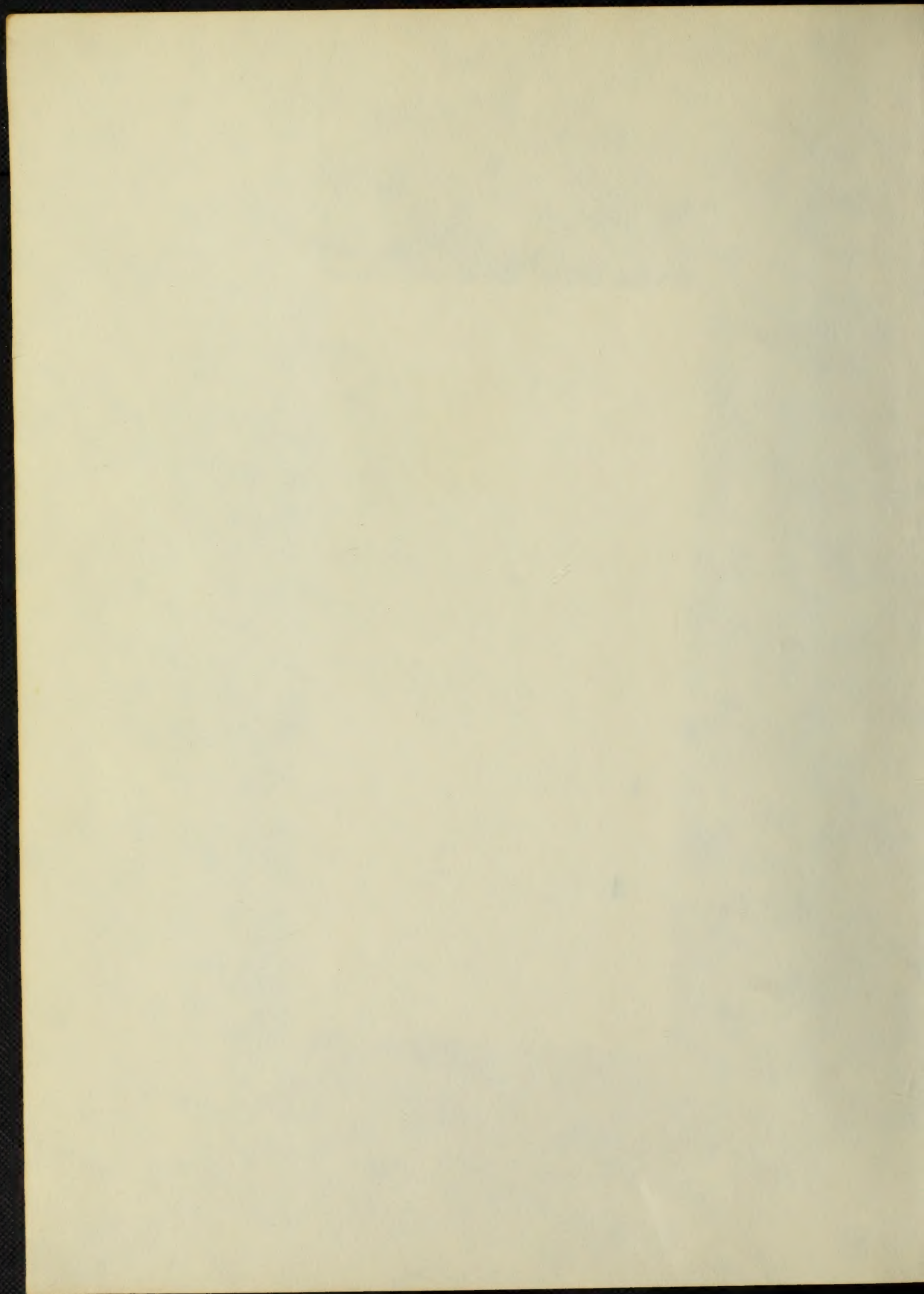
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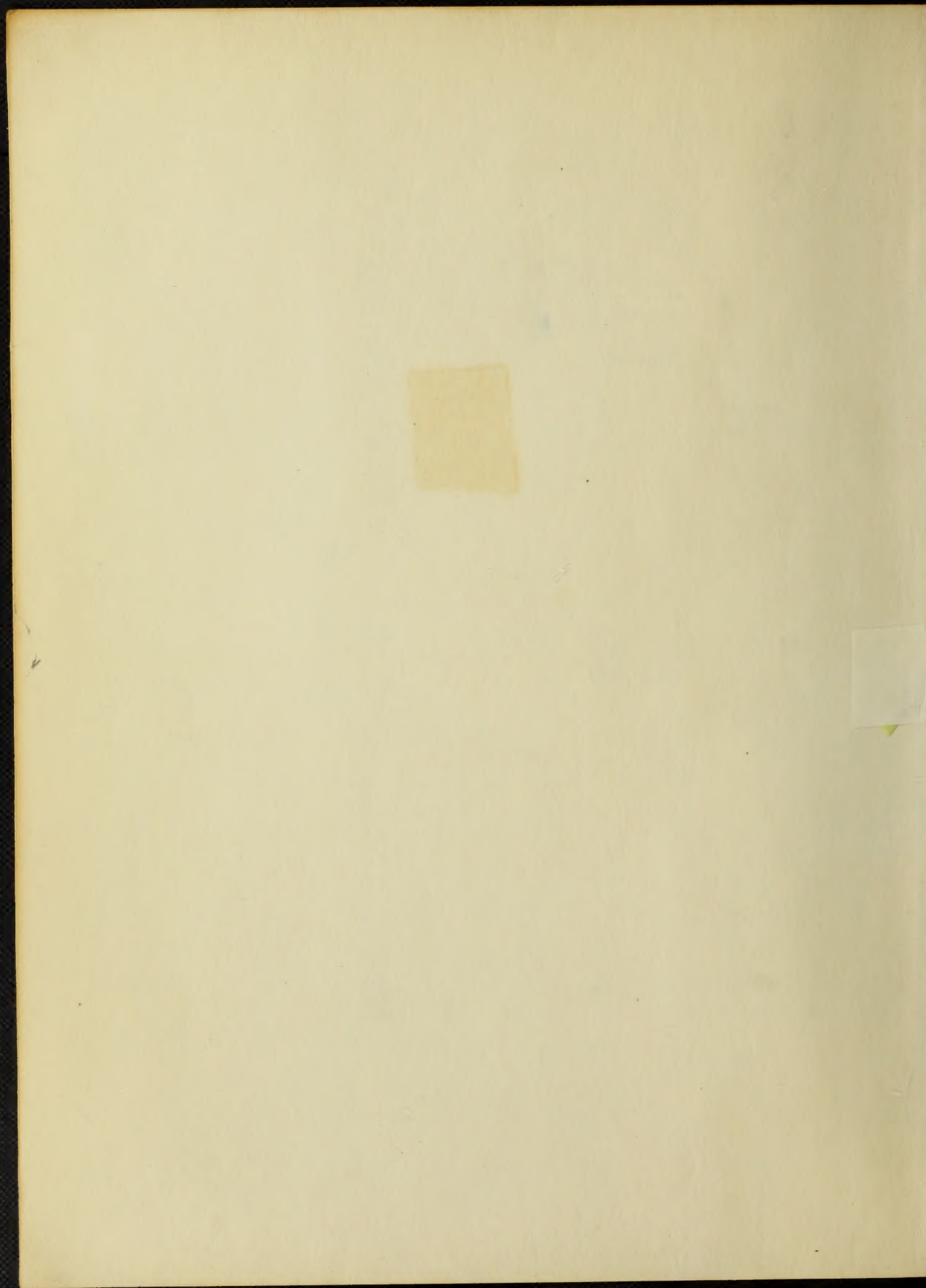
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UNIVERSITY OF ILLINOIS

bulletin

Vol. XXXI, No. 784

July 5, 1954



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The Department of State bulletin

VOL. XXXI, No. 784 • PUBLICATION 5528

July 5, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has
been approved by the Director of the
Bureau of the Budget (January 22, 1952).

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Stacks

The United States and the Uncommitted World

by Deputy Under Secretary Murphy¹

It is an honor and a privilege to participate in this 57th National Convention of the Zionist Organization of America. It is an honor because I know this organization reflects some of the finest ideals of the American Jewish community. It is a privilege because of the opportunity it affords to emphasize the appreciation and understanding of our Government for these ideals. Perhaps, as in all things, it is necessary from time to time to restate the obvious, and I presume that friendly interest necessitates restatement often dealing with problems such as the Jewish problem. Recognition of its difficulties and complexities leads to a better understanding all around. I can say of my associates in the Department of State who regularly deal with ramifications of the problem that they are affected by sympathy and desire to effect solutions which are in the basic interest of the Jewish community and of our country and, in working for these solutions, there is no desire improperly to interfere in the internal affairs of any state.

In approaching these problems I think that we in the Department of State are conscious that the Jewish community is not seeking favors and above all that its desire is for peace. Some of us who served in central Europe in the immediate postwar years and who were witnesses to the tragic circumstances affecting the destinies of many thousands of Jews who literally were gasping in their eagerness to seek a homeland understand what peace and security mean for the Jewish community. In visiting some of the former concentration camps immediately after the cessation of hostilities in 1945, I know that I gained a clearer insight into the reasons why a homeland was so precious to this sorely tried community. I remember, too, a meeting with the Jews assembled in the camps at Berlin in 1945—about 7,000 of them—on the occasion of their Memorial Day, when with General Clay I attended their Memorial Day services. The grief

of these unfortunate people, all of whom had lost close relatives under tragic circumstances and had passed through the worst forms of degradation and bitter experience, is not easily forgotten. Psychologically what buoyed them up was a vision of a homeland where they could enjoy the exercise of their faith and age-old customs in independence and safety. Knowing something of this background and having seen at firsthand the incredible suffering and the ordeal through which they passed, I wish them well and hope that in the framework of the world community they will find that happiness and prosperity for which they strive.

Perhaps on this occasion it might not be inappropriate for me to discuss with you and as of direct interest to the aims of your organization some of the considerations which are involved in the psychological divisions of the world today.

Psychological Divisions of the World

To a well-informed group such as this there is no need to emphasize the fact that Soviet communism—or Communist imperialism—affects every major problem of foreign policy. One result of this situation is the division of the peoples of the modern world into three groups from a psychological standpoint.

First, there are those persons who are actively engaged in defending the free world from subversion and aggression. We understand their outlook, at least I hope we do, since we belong to this group. We know that there is plenty of room for different points of view within it, for here there is no deadening drive toward uniformity. These differences, moreover, can be harmonized by voluntary effort. The basic attitudes are similar, and the goals we seek are essentially the same.

Second, there are those persons within the Communist bloc. We know the ruthless uniformity which their leaders impose. We know that the combination of materialistic philosophy and dictatorship which characterizes these countries tol-

¹ Address made before the Zionist Organization of America at New York, N.Y., on June 24 (press release 346).

erates no deviation from uniformity. We are sadly aware of the persecution visited upon Jews still behind the Iron Curtain because of their devotion to the God of their fathers. Whether a man is a principal or a pawn in the drive of Communist expansion, he can commit no greater sin than to think freely or to differ from those about him.

Because of the uniform mold into which the masses are pressed, we know what they will do and what they will say—regardless of nationality or tongue.

But the certainty of purpose which gives direction to our own outlook is not yet a characteristic of a third group of peoples—those who inhabit areas of the world which by and large, and as incredible as it may seem, are not yet committed in the struggle against Communist imperialism.

This uncommitted world includes much of Africa, of the Near and Middle East, and of parts of Asia. It is an area of violent geographic contrasts—harboring, for example, the greatest known concentration of oil in the world and the largest deserts on the face of the globe. It is also an area of economic disparity, of unbelievable poverty for many and inconceivable wealth for a few. And it is an area in which the peoples are vastly different—in race, religion, language, and outlook. In referring to this area as “uncommitted” I am fully aware that some individuals and certain countries in this region actively support the free world. But these persons and nations are not able to exert their full influence, since the area as a whole has not firmly decided its course in the struggle against communism.

The attitude of these uncommitted peoples is full of paradoxes: Almost all live in underdeveloped areas. They admire or envy our strength, and some would like our aid. Yet because they are either still in a dependent status, or newly independent, they are often swayed by suspicions of the major powers. This sensitivity about their freedom frequently leads them to a second contradiction. They fail to distinguish between Soviet promise and practice. Sometimes they believe that the hand which the Communists extend to them is offered in friendly helpfulness, when in reality it is designed to subjugate them.

Diversity and the Uncommitted World

One hallmark of the uncommitted world is its diversity—and this diversity is both a delicate problem for American foreign policy and a tremendous opportunity.

We know that diversity can be a source of great strength. The United States itself demonstrates this fact. The fabric of our life would be less rich, and our well-being diminished, if we had not received peoples of many cultures, languages, and religions.

I am sure that your great Zionist Organization has found that its efforts have been reinforced by the fact that those from many countries and different walks of life have contributed to its rich development. Dr. Weizmann, in his excellent autobiography *Trial and Error*, records some of the problems created by differing approaches to Zionism. At the same time, it is clear that without a variety of supporters Dr. Weizmann's efforts would have been far less fruitful.

There is no doubt but that modern Israel has also gained from the rare variety of peoples who have been drawn to it. Without these many talents Israel perhaps could not have accomplished nearly as much as it has during the 6 short years since its establishment.

We know from this experience that diversity can be a source of strength, that the sum of many different abilities is greater than their total number. We cherish the fact that in the free world diversity need not weaken our capacity to oppose Communist imperialism.

Of the many problems which the diversity of the uncommitted world poses for American foreign policy, the most important seems to be: How can we help these peoples make their diversity a source of strength rather than weakness? How can diversity be a bulwark of their freedom and not an open sesame of an invitation to Communist penetration?

The problem, of course, takes different forms. In South Asia, for example, India and Pakistan are neighbors and were formerly under one administration. Their religions and political orientations, however, are vastly different. Recently the predominantly Moslem Pakistan has taken a clear stand with the free world through its treaty with Turkey and its aid agreement with the United States. India continues to retain a certain aloofness from the struggle to prevent Communist expansion. One problem is how these two great nations may harmonize their different viewpoints, so that they can play a role in the world which is commensurate with their size, their great talents, and their enormous potential.

In the Near East, Israel and its Arab neighbors follow greatly different ways of life. There is no doubt where the majority of the people of the area stand in the struggle against Soviet expansion. The area as a whole, however, cannot become a vigorous partner in the free world until greater progress is made toward creating peaceful relations among the Near Eastern nations. A major problem is how to transform the energy consumed in dispute among neighbors into more constructive channels, so that the welfare of the area can be more effectively safeguarded. One of the many steps which we believe will lead in this direction is the United Nations plan for the unified development of the Jordan Valley, on which Mr. Eric Johnston, as special representative of the

President, has been conferring in Cairo and Tel Aviv during the past week.

In Africa, the problems attending diversity are of still a different nature. Certain countries have long been independent and have taken an active part in the free world. I can think of no more illustrious example of this than Ethiopia, whose Emperor is now visiting the United States. But much of Africa is less fortunate. It is dominated by poverty and haunted by racial antagonism. Much of the African problem is how to keep the many opposing forces of this great continent within the framework of orderly progress, so that its people may in the future avoid Communist domination.

This diversity presents us with another kind of problem—the need to adopt a special attitude in the conduct of our foreign policy toward the uncommitted world. Since conditions vary widely from country to country, and the peoples are equally diverse, there is no blueprint which will fit even a majority of the situations. Greater patience is needed to harmonize the points of view found there with our views and the requirements of our policies. When the areas of difference are large—as they frequently are in these countries—we must often go slower than we would like. We must recognize the truth, so deftly described by Harold Nicolson in his book on diplomacy, that a foreign policy will fail if it does not clearly comprehend the aspirations of other peoples and take them carefully into account.

U.S. Policy in the Uncommitted Areas of the World

In these circumstances, then, what is the attitude of the United States toward the uncommitted areas of the world?

No one questions the fact that the fate of the peoples in these areas is extremely important to us. Not only would their loss to the Communist world be an immeasurable blow to freedom everywhere, but also the diversity which gives them such potential would be crushed under dictatorial uniformity. The United States is interested in doing whatever it may to prevent these countries from falling prey to Communist imperialism.

1. It seeks to fashion the elements of security, so that peaceful strengthening of the countries of the area may be possible. If this condition is obtained, there will then exist a sufficiently strong framework within which diverse peoples, religions, cultures, and points of view can interact without fear of the chaos which would invite communism.

The need for such elemental security is obviously acute in Southeast Asia. Whatever course of action may eventually evolve—whether as a result of the Geneva Conference, the appeal of Thailand to the United Nations, or some form of united action—the underlying interest of the

United States is to promote a favorable political stability in the area. Only through such stability can the peoples of the area develop freely and enjoy the diversity which gave their ancient cultures such distinction and their present life real meaning.

A similar motive underlies our approval of the treaty of Turkey and Pakistan in the Middle East. We believe, as do these countries, that the first step toward security in the area is to provide a defensive arrangement which will do two things: make use of the resources immediately available and pave the way to adherence by other like-minded countries. This is an arrangement which threatens no one. There is no intention on the part of these nations to pressure any of their neighbors into joining or supporting it. But there is presented the opportunity for others to strengthen their security without sacrificing their individual character.

2. Closely related to the desire to see greater security in these areas of the world is our policy of promoting solutions to the various disputes which prevent full cooperation among the peoples who live there. This desire applies to all disputes, whatever their nature. We earnestly hope that India and Pakistan can work out a solution to the Kashmir problem, since as long as it remains unsettled it will hold back peaceful development of the South Asian subcontinent. We continue our effort of cooperation in seeking a settlement of the Iranian oil issue. We look forward to the time when the Suez Base dispute may be resolved satisfactorily. Naturally we are deeply disturbed by the tension existing between Israel and the Arab States. Perhaps the problem is too complex, and the fears and frustrations too deep-seated, to make possible the immediate attainment of formal peace, but we earnestly seek the emergence of peaceful relationships. We try to encourage every possible action which could lead in that direction—whether it be full and effective support of the U.N. Truce Organization, development of the Jordan Valley, a solution of the Palestine refugee problem. We view with great concern the tensions existing in some parts of Africa. We hope that peaceful solutions may be found for the racial antagonisms in some African areas. The same desire to see peaceful evolution, rather than tension and terrorism, applies to our attitude toward North Africa.

3. A third way in which the United States is trying to help the uncommitted world is through our program of economic assistance. Except for the fact that we will assist no country to become an aggressor, we require no one to agree with us completely in order to receive aid. Instead we are prepared—within the obvious limits of our domestic and global responsibilities—to provide technical assistance and help for economic development to uncommitted countries as well as our firm allies. I do not claim that this attitude is devoid of self-interest. It springs from the fact that

freedom and diversity are closely related, and that economic support of diverse countries in uncommitted areas of the world is to our mutual welfare.

4. Finally, we support these courses of action with the political policy of bolstering the independence of the nations of the area and of supporting self-government where practicable in dependent territories. We ourselves covet no territory. We oppose all aggression. We know that this policy is sound—both for the peoples of the uncommitted world and for ourselves.

Thus the United States, by tradition and policy, values and respects the diversity of the uncom-

mitted world. The last thing we would wish would be to try to remake it in our exact image.

Instead, our hope is that these friendly countries in the pursuit of their destinies will strengthen their own way of life and, by so doing, will be better able to deter aggression and subversion in whatever guise they may appear. We realize that in developing in this direction these peoples may not always agree with us in detail, or do exactly as we ourselves would do. But in the long run, we know that their independence not only provides the framework in which the best qualities of their diversity may flourish, but it also contributes to the strength of the entire free world.

The Twentieth Century Comes to the Arabian Peninsula

by Richard H. Sanger

Following is the introduction to Mr. Sanger's recently published book, The Arabian Peninsula, reprinted with the permission of the publisher, the Cornell University Press. Mr. Sanger is public affairs adviser to the Bureau of Near Eastern, South Asian and African Affairs.

In his remarkable book, *Civilization on Trial*, Professor Arnold J. Toynbee has written, "Future historians will say, I think, that the great event of the twentieth century was the impact of Western civilization upon all the other living societies of the world of that day. They will say of this impact that it was so powerful and so pervasive that it turned the lives of all its victims upside down and inside out."

Nowhere has this "impact of Western civilization" been more striking than in the Arabian Peninsula. From the Red Sea to the Persian Gulf, from the Syrian desert to the Arabian Sea, the timeless heart of the Arab East is stirring; the Arabian Peninsula is beginning to move into the twentieth century. Up to twenty years ago, this great tract of land, larger than India and almost one-third the size of the United States, had been visited by only a few dozen Europeans, most of whom had seen little but its coastal cities. They reported that it was virtually unchanged since the time of the Prophet. Now, after standing still for twelve hundred years, time is on the march again in Arabia. A score of years have seen more changes in some parts of Arabia than

have all the centuries since the death of Mohammed.

Many factors contributed to this change, including automobiles, airplanes, radios, and two world wars. But undoubtedly the two most important factors were the unification of most of the peninsula under a single strong ruler and that ruler's consolidation of his kingdom at the time when the Western World discovered that the sands of Arabia were floating upon oil.

As a result, a pastoral, nomadic, and medieval society which had for centuries kept out almost all but Moslem visitors has begun to open its doors to non-Moslems. Limited first to a few Western geologists and executives, the number has increased year after year in Saudi Arabia, and to a lesser degree in the other countries of the Arabian Peninsula.

How this impact of Western civilization is turning the lives of some of the inhabitants of Arabia upside down is dramatically illustrated in the city of Jidda, Saudi Arabia's diplomatic capital on the Red Sea. The last seven years have seen the city's walls torn down, its main streets paved, its lagoon rimmed by electric lights, fresh water brought down from the hills, a radio station built nearby, a pier run out to deep water in its harbor, a busy, hard-surfaced airport constructed, and a building boom take place.

Planes of the Saudi Arabian Airlines span the country daily, crossing skies untraveled as little as ten years ago. Public utilities are going into

Riyadh, King Saud's mud-walled capital in the heart of the Nejd, in whose narrow streets new convertibles and shiny station wagons are literally crowding camels to the walls. On the oil coast, in eastern Saudi Arabia, a standard-gauge railroad runs inland to Riyadh. A large pipe line flows oil to refineries on the Persian Gulf and northwest to the Mediterranean, and Dhahran, the central headquarters of the Arabian American Oil Company's operations, is the first city in the world to be centrally air-cooled. In fact, Hassa province of Saudi Arabia, in which the oil coast is located and which was without European inhabitants twenty years ago, now contains one of the largest colonies of working Americans outside the territorial limits of the United States.

The impact of Western progress is striking in Saudi Arabia, but the fingers of change are pushing open the doors of half a dozen other Arab States. A town as modern as Phoenix, Arizona, has grown up around the oil company's intricate installations on the pearl-rich island of Bahrein; the tranquil waters of the Persian Gulf off the Sheikdom of Kuwait are churned by the propellers of barges bringing drilling rigs, prefabricated houses, cold-storage units, and operating tables from a row of cargo steamers anchored not far from the newly constructed dock in the shadow of Kuwait City's mud wall.

Just south of the Sheikdom of Kuwait, in that curious political anomaly, the Kuwait Neutral Zone, of which King Saud and the Sheikh of Kuwait each have undivided halves, the spring grass, burned by the sun to a tawny gold, is flattened by the footprints of geologists tapping the wadies for water and poking the sand dunes for oil. The bare, sandy ridges of the sheikdom that comprises the Qatar Peninsula are furrowed by the trucks of drillers, pipe layers, and contractors. The bedouin of the seven tiny sheikdoms that make up the Trucial Coast, their minds still on camels and raiding parties, look up to see planes circling above the wind-blown landing strip at Sharja. The dapper Sultan of Muscat, drowsing through the noontide in his high-roofed palace above the hot basalt rocks that guard his twin harbors, is anxious for Western help in the development of his country. Autos that were packed by pieces on the backs of camels over the mountain passes from the seaports of the southern coast now bump across the gravel wadies below the mud skyscrapers in the valley of the Hadhramaut, where an airlift brought food to the starving in the spring of 1949. The Crown Colony of Aden, England's Gibraltar at the southern end of the Red Sea, has gone in for town planning, while in the ruin-scattered hinterland of the Western Aden Protectorate, the lead of the Sultan of Lahej in installing electric lights and serving ice-cooled drinks is being followed by other local rulers. Even forbidden Yemen, after sleeping through the centuries behind a protecting mountain range

whose lowest passes are over nine thousand feet, has received foreign missions and sent a prince to the United Nations.

Arabia is indeed changing under the impact of Western civilization, and no one who has seen its dust and dirt and poverty, its half-blind children, its women old before their time, and its men struggling to wring a barren living from a dust bowl of sun, sand, and rock, can doubt that on the material side the change is for the better. For some six centuries after Mohammed, this part of the Arab world was an active force. During the next six hundred years the drive died out, to be revived again in the 1930's. If Arabia can assimilate the progressive know-how of the West while retaining her inner calm, then her future will be more a renaissance than an echo of her vigorous past.

If the whole world is to benefit, the ever-widening circles of change must prove helpful to more than the distant countries of the Western World, whose engines are drinking deep of Persian Gulf oil. The change must modernize the thinking of the kings, sheikhs, and sultans of Arabia with their air-cooled palaces, Cadillac convertibles, and ever-growing oil royalties. It must bring a broader outlook to the wealthy merchants in their lofty countinghouses by the newly made harbors of the Red Sea and the Persian Gulf, merchants whose trade is shifting overnight from frankincense and harem silks to bulldozers and radios. It must affect the labor and irrigation policies of the great landowners, whose palm groves stretch as far as a camel can walk in a day, and the powerful sheikhs, whose herds of black sheep and flocks of tawny camels cover the wadies in spring.

The change must also help the struggling bedouin, who need new wells to water their scrawny flocks. It must give employment to the beggars in the towns, who in the past have looked to Allah and the King's bounty for a handful of dried dates and a bowl of camel milk and who are now finding employment as unskilled workers in the budding industrial revolution. It must benefit the artisans and handicraft workers, who can make more in a week running a lathe than they could in a month ornamenting sandals. It must enrich the petty merchants, sitting cross-legged in their stalls, whose trade is fast reviving as the earning power of the people rises. It must give direction to the intellectuals, who can replace days of endless talk over black coffee and nights of recounting the past with hours of learning of the present and planning for the future that will make them the teachers, doctors, engineers, and builders of a new Arabia. Above all, it must produce a sense of social consciousness to replace the fast-fading feudal and tribal obligations.

So far, the United States has played the major role in these changes, largely through the initiative and farsightedness of private industry, but it has no monopoly. England, Holland, and France, as well as the neighboring Arab countries of

Egypt, Lebanon, Syria, and Iraq, are all helping to alter Arabia, assisting it to exchange its oil, gold, air routes, and pilgrimage revenues for the machinery and techniques of the Western World. Distance from the West, severe climate, deserts, lack of water, and six hundred years of highly localized, fragmented government all contribute to the difficulty of the task. Former President Truman in his Inaugural Address, introducing what has come to be known as Point Four, anticipated United States help in facing this difficulty. Speaking on January 20, 1949, he said:

We must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas.

More than half the people of the world are living in conditions approaching misery. Their food is inadequate. They are victims of disease. Their economic life is primitive and stagnant. Their poverty is a handicap and a threat both to them and to more prosperous areas.

For the first time in history, humanity possesses the knowledge and the skill to relieve the suffering of these people.

If Western civilization succeeds in helping the Arabs toward a higher standard of living, the pattern of life in this subcontinent where the rich tend to stay unproductively rich and the poor remain too poor, where the sick too often fail to get

well and the average man pays a high toll to ignorance, may be reoriented toward a new Arab culture befitting both the past and the new age. A middle class may develop with opportunity to build in the heart of the Near East a bastion against all forces of totalitarianism. This is the challenge of Arabia. It cannot be met in a year or a decade, but if the present pace of change continues, the outward lives of many of the next generation will be very different from those of their fathers. The inner, deeper changes we must wait for our sons' sons to assess.

This book is an attempt to make the average reader aware of the new frontier which has sprung up on the Arabian Peninsula, of the American role in developing it, and of the challenge which it presents to us, to other Western nations, and to the Arabs. This effort to suggest what Arabia is like today, to give sufficient history and background to show why it is that way, and to indicate the various paths down which Arabia may go in the future is not political and it is not all-inclusive. But I have intended to tell enough of the walled cities and bedouin camps, the sandy deserts and barren mountains, the ancient cultures and colorful rulers, and the plain people, so that the reader may better understand the scope, importance, and new-found vitality of the Arabian Peninsula.

Emerging Goals in the Middle East's Rural and Industrial Development

by Merrill Gay

*Economic Adviser to the Office of Near Eastern Affairs*¹

I have been asked to comment on our Government's interest in the emerging goals in rural and industrial development in the Middle East and to report on what the Government is doing in this connection. It is a challenging subject in this day when so many of the lesser developed countries of the world are eagerly trying to make up for lost time in respect to the economic side of progress.

This avid interest in development is apparent in most of the Arab States and in Israel. During recent years the impact of Western civilization upon this area has been sufficient to jar the populace from centuries-old acceptance of things as

they are. Through various channels, better ways of life have been revealed. This fact coupled with great poverty has produced the dangerous social unrest that floods the Middle East. Mass lethargy is fast disappearing before the surge of new aspirations.

Last winter I made a visit to a number of the countries in this area, my first in several years, and I was much impressed by the intensity of the drive in some quarters toward telescoping evolutionary progress into the shortest possible time. Governments, to survive, now feel compelled to bring tangible evidences of progress to the people. Perhaps it was the kind of persons with whom I talked which accounts for my impressions, but it did, I must say, almost seem as if the air were charged with an impatience to get ahead with

¹ Address made before the American Friends of the Middle East at Lake Forest, Ill., on June 17.

economic development plans. There is, of course, a danger in this; the danger is that, in the search for a panacea for poverty, acceptance of the Moscow system may be considered by some as the best way out.

Unfortunately there is no magic formula whereby economic goals can be accomplished overnight; skilled planning, political and economic wisdom, and plain hard tortuous work are required to bring about the desired accomplishments.

Before I describe in more detail what we have done by way of economic cooperation in the Middle East, and some of our thoughts for the future, I would remind you that there are extraordinary difficulties in the way of economic development in this region and in the way of our assisting toward its accomplishment. It is a region in which economics, politics, and emotions are to an unusual degree mixed up together, so much so that one can hardly speak of economic problems and economic plans as if the economic side of things were neatly set off to itself, free from other types of problems. To illustrate briefly I need only mention, (1) the long drawn out difficulties between the United Kingdom and Iran with respect to petroleum production and distribution, (2) the troublesome negotiations between Egypt and the U. K. on Base rights in the Suez, and (3) the continuing explosive friction between the Arab States and Israel. These difficulties create not only tensions but also uncertainties. These uncertainties affect private business, private investment, foreign and domestic; they affect what the United States Government is able to do. It is trite to say we are dealing with a complex situation; it is a perilous one. The years since the Palestine partition have had little healing effect. The tensions have mounted instead of abating. In the strong nationalism that exists a continuing anti-colonialism also creates problems. Partly, however, it may also stem from the feeling that economic dependency is a source of weakness.

More fundamentally significant is the fact of dire poverty throughout most of this region. It may also seem trite to say that poverty breeds poverty; yet it is an observation which deserves thought. Rainfall is erratic—there is either too much or too little. Water supply is a constant cause of concern to the area. Economic and social development is constantly threatened by lack of water. This fact makes nomadic herdsmen out of countless thousands of farmers. Much of the Middle East's "fertile" farmland would be regarded in this country as submarginal land. Even in the rich Nile valley limited water supply and overpopulation make life difficult. The Arab farmer usually lives with his family in a one-room shack and possesses few tools; his diet constitutes a caloric intake $\frac{2}{3}$ that of the average U.S. citizen.

This is the situation today in spite of the fact that the U.S. Government has already provided many millions of dollars of assistance to the area

in one way or another, e. g., about \$125 million during the last 4 years in the form of technical assistance, about the same amount for Arab refugees through the U.N. Relief and Works Agency (UNRWA) and its predecessors; a Special Economic Assistance package of \$147 million for 1954, much of which has been committed; around \$200 million of disbursements of Export-Import Bank development loans to various countries of the region; and contributions to the IBRD and various other U.N. specialized agencies operating in the region.

It is clear that the U.S. has not been insensitive to Middle Eastern needs. The Department of State is anxious that the countries of the Middle East enjoy a sound and rapid development of their resources and consequent improvement in their living conditions. Economic progress and the hope it engenders should materially contribute to the broad objectives which the U.S. Government hopes this region can achieve, namely, stability and peace, and the will and power to withstand encroachment in the area by an imperialistic Soviet regime. Undernourishment is an invitation to the Communist virus; chaos is the ally of its propagators.

The U.S. Government does not and cannot assume the responsibility for a rapid economic development in any of the lesser developed countries. It is a responsibility which they themselves must assume. The Government does, however, want to help in those endeavors which show a real will on the part of the local governments and populace, and also show promise of success. We hope we can encourage, stimulate, or in some cases serve as a catalytic agent to bring about strong indigenous efforts toward the desired objectives. I might inject the comment that we want to do this only where there is a demonstrable interest on the part of a needy country for such assistance and a desire that we do it. I suspect that sometimes our motives are questioned; there may be speculation about possible ulterior objectives. I believe, however, that in general such apprehensions soon disappear. The fact that we do not want to go in with economic assistance or stay in where we are not wanted is, I believe, reassuring to countries and governments which initially may have doubts. I will now undertake to bring the record of what we are doing up to date in a little more detail.

Technical Assistance

Probably the most widely known U.S. economic program in the Near East is technical assistance. Through this program American plant-breeders, dirt farmers, cattlemen, engineers, public-health doctors, and others, more than 500 of them, have been gathered together, bringing their skills to the peoples of nearly all the countries of the Near East. Since this program first got under way in fiscal year 1951, approximately \$54 million has been pro-

grated for the Arab States and Israel. The largest beneficiary of technical assistance funds in the Near East has been Egypt, which received approximately \$13 million in fiscal year 1953. Of this amount, \$10 million went toward an Egyptian-American Rural Improvement fund, which also received the equivalent of \$16 million from the Egyptian Government. This illustrates the strong local interest in rural improvements. The remaining programs in the area are in the rough amount of \$1½-\$3 million per year per country.

Technical assistance funds, as you know, are used for experts, trainees, and demonstration equipment, but not for capital development expenditures or consumer goods. The program stands as a means of extending aid to those friendly nations which need it and want it. The response throughout the area has been generally favorable. I have received this impression from numerous local officials who appreciate the sound long-range accomplishments. I have gotten it also from the man in the street, especially those directly affected by training programs. I am aware that some of our efforts in some parts of the world have been criticized; too many people using up all the good houses, too many fancy American cars, etc. But in my direct observations in visiting some of our projects in the Middle East I have found many able and devoted Americans working long hours, in dirty clothes, away from the comforts, with eager local learners. I recall a young agriculturist working in the desert 40 miles out of Baghdad from sunup to sundown with a group of natives bringing vast sections of wasteland back to productive use—an experienced American roadbuilder toiling in the dust and heat demonstrating how to make low-cost roads that can be simply maintained in good condition for long periods. There are many such public servants on the job.

Special Economic Aid

By the addition of section 206 to the Mutual Security Act last summer, covering the special economic assistance for fiscal year 1954 to which I have referred, Congress made the first authorization of grant economic aid to the Arab States that has ever been made over and above technical assistance. For the 2 previous years Congress did authorize grant aid for Israel to provide for refugees coming into Israel, most of the funds being used for consumer goods. Congress has also authorized funds for the Arab refugees, funds channeled through the U.N. primarily for relief purposes though in part for reintegration projects. Section 206 the first time, however, made the Arab States legislatively eligible for development funds from the United States on a grant basis.

Section 206 was new also in that it was the first regional economic development fund for the area. It grouped the Arab States, Israel, Iran, and the Dependent Overseas African countries together

as "the Near East and Africa" and established a single "package" of \$147 million to be allocated by the executive branch when and where it considers the needs to be greatest and the investment to be practical.

As it worked out, the first use of the new package came last September for Iran—just after the Shah flew back from Rome to Tehran and General Zahedi became Prime Minister. Funds were quickly made available to support the budget of the new Government. Something more than \$50 million has by now been committed to Iran from the section 206 fund.

A second use of the package has been for Israel. It has gone in part for commodities most of which start with "f"—food, fodder, fuel, fertilizer, and footwear—and in part for projects of a capital development nature which had been in the planning stage for a considerable period. All of Israel's share—amounting to \$52.5 million in fiscal 1954—has been designed to assist in further progress toward a self-sustaining economy to which the U.S. Government will eventually need to extend no further grant aid.

A third charge was small but indicative of the variety of uses to which the package has been used to meet needs when and where they arise. It was \$310,000 to finance the transportation costs of the wheat which was shipped to Libya and Jordan under the Famine Relief Act. It is significant that these were the only two instances in fiscal 1954 in which Arab States were seriously in need of basic food imports which they could not finance from their own resources.

It is difficult to divide a "package" among eager claimants without making one's friends unhappy. It has been said by many that favoritism for Israel has deprived the much larger Arab States of their proper proportion of grant economic aid. On the other hand it has been argued that this help is well and effectively used. It is quite true that Israel has received a large share of the "package" and the Arab States almost none up to the present time. The proportion will probably change. This change need not, however, depend on an alteration of our basic aid policy. We have never aimed anywhere at equality in the sense of granting dollars on a per capita or per country basis. We give none to Canada; we once gave a lot to Greece; we have not to my knowledge been charged with inequitable treatment in either case. We try to extend aid in accordance with need, the capacity of countries to absorb assistance, and of course, our own limitation of funds, all in the context of what we deem to be the enlightened self-interest of the United States. We wish to emphasize the cooperative nature of our programs, the mutuality of interest, and our aim to disperse aid flexibly—where it is most needed, where it will do the most good. In general the Arab States have not required commodity aid and in general their requests for assistance on capital development proj-

ects have not until recently contained sufficient engineering and financial data to justify hiring of contractors or committing funds. The conclusions of many of the surveys put forward in the past were confined to recommendations for more detailed studies.

Progress has been made, however, and in recent months the U.S. has offered grant-aid agreements to several Arab countries. Two days ago announcement was made of the signing of such an agreement with Jordan under which projects for irrigation, roads, water development and other public works involving several million dollars may go forward with the utilization of package funds.² It may be that generally similar agreements with other Arab countries will also soon be signed.

Looking into the future, there is some indication that grant aid to Arab States may increase as the development needs of those States which are short of capital become more fully documented and blue-printed. For the forthcoming fiscal year (starting July 1), the executive branch has requested of Congress a "development assistance" package of \$130 million for "the Near East and Africa." Israel will probably continue to be an important claimant on the fund, but from the economic factors now apparent probably will not be in as great need as it was in fiscal 1953 (\$70 million) or fiscal 1954 (\$52.5 million) owing to an increase in revenues both from exports and private American loans, to a sharp drop in immigration, and to the receipt of German reparation goods at an annual rate of some \$50 million.

I have perhaps labored the cause of grant-aid policy for the countries of the Near East at the expense of time which might be devoted to the Arab refugee problem. We are again asking Congress for an authorization to assist in the relief and reintegration of this unfortunate group. As the U.N. Economic Survey Mission under Gordon Clapp pointed out, the problems of this group are an extreme reflection of the poverty and unemployment which typify the entire area, and alleviation of the problems of the refugees is a major objection of our policy for the entire area. Our grant aid and technical assistance programs for the nonoil countries in which the refugees now dwell are an essential corollary, for it is unreasonable to expect Arab countries to accept refugees as workers unless means are found to improve conditions for their own citizens at the same time.

Refugee Problem

The problem of the refugee is itself perhaps the most critical one facing the Near East today; it is an aggravant and a dead weight impeding economic and social improvement and retarding the reduction of tensions between Israel and the Arab States. Over $\frac{3}{4}$ of a million of these unfor-

tunate and unhappy people have for 6 years suffered the misfortunes deriving from the conflict between Israel and the Arab nations. They live in camps provided by the United Nations or in primitive huts of their own devising.

Last winter I saw how thousands of these people live, and it is not pleasant to recall: whole families living in a 6' x 8' room with only a box to sit on and tortuously collected firewood over which to cook. Many homes are surrounded by a sea of mud when it rains; more normally they are enshrouded in clouds of parching dust. These people constitute a humanitarian problem of the utmost urgency. Political negotiations have brought no results. The problem grows worse with an annual birth increment of 25,000 lives a year to be added to international relief roles. Depending year after year on slim U.N. handouts can only bring frustration, demoralization, loss of self-respect, the fanning of hatreds.

The United States has given strong financial support through UNRWA in efforts to bring relief to and hasten reintegration of the refugees. A total of \$153 million has been appropriated, 65 percent of all contributions, since 1948. About three-fourths of this has gone for relief and the remainder, still not all spent, for reintegration. UNRWA has had difficulty in the implementation of its responsibility for finding feasible projects at reasonable cost in the countries where the refugees are located which are acceptable to the governments concerned.

Unified Plan for Jordan Valley Development

What I have said explains why the U.S. Government has put its shoulder to the task of vitalizing the economic resources of the Jordan Valley for the benefit of these dislocated human resources, in the hope at least of ameliorating the tensions which this problem spawns.

The Jordan River in terms of what we are used to here is little more than a muddy stream, dropping 200 miles from the hills of Lebanon through Galilee to the sub-sea-level Dead Sea—dreary geography but for centuries rich in the history of modern man. Its waters, long allowed to slip away unused, are as precious as petroleum, more precious than we are likely to appreciate. It is a potential source of power and fertility which the valley and the contiguous states desperately need. Four states, however, lay claim to the Jordan's waters. International rivers are inevitably a source of strife and friction until some mutually acceptable *modus operandi* is evolved. In the case of the Jordan, the difficulty is compounded by the perilous ferment which pervades the whole Middle East. As we have recently learned, any attempt of any one country to harness the waters of the Jordan is explosively provocative to the other states concerned. Some acceptable formula for

² BULLETIN of June 28, 1954, p. 1000.

equitably dividing the Jordan's waters among the riparian states must therefore be found.

You are all familiar with Mr. Eric Johnston's Mission to the Middle East to sell the idea of finding such a formula. Progress is reflected in the important meetings which are taking place in Cairo and which will take place afterward in Tel Aviv. Mr. Johnston, in accordance with his promise made last fall to return again to the Near East, is meeting with both Arab and Israeli leaders further to discuss plans for the development of the valley. It is encouraging that both sides have come to grips with this problem of water utilization on an engineering basis.

I cannot here go into details, but I would emphasize as Mr. Johnston has done that what he took to the Middle East last autumn was not a plan for the valley but a broad conception of what might be done. This he offered as a basis for discussion. The central idea set forth is to use Lake Tiberias as a natural storage reservoir for the waters of the Jordan and the Yarmuk. Year round irrigation would be provided to the lower valley by a canal system. Israel would draw mainly from the headwaters above Tiberias.

Under the proposals, drawn up by the Chas. T. Main Company under U.N. direction, and utilizing many earlier though less comprehensive valley studies, approximately 234,000 acres of land not now irrigated could be served, much of it capable of producing crops the year round. This 3-crop aspect could make the Jordan project, in terms of crop production, about one-half the size of the largest irrigation operation in the U.S.

The original proposals tentatively suggested yearly allocations in round numbers as follows: over 400 million cubic meters of water to Israel to irrigate 100,000 acres of ground, over 800 million cubic meters to Jordan to irrigate 122,000 acres, and 50 million cubic meters to water 7,500 acres in Syria. Some 38,000 kilowatts of electric energy could be produced on the Yarmuk side and 27,000 kilowatts at another plant in Israel.

The Unified Plan proposals, which we are supporting, were not, as I have indicated, put forward as an ironclad plan. Essentially we are sponsoring the principle of total valley development on its merits as an economic proposition. We hope some mutually acceptable basis for sharing the water can be found. This accomplished, it only remains for the engineers to provide implementation of measures directed toward the best use of the waters for the refugees and the people of the states concerned. The political situation in the area underlines the importance of an international administration and supervision of the project which would obviate the need for direct or indirect negotiation between Arab and Israeli. If the principle is accepted, finding the suitable mechanism should not present insurmountable difficulties. The United Nations should be able to provide the framework for such a mechanism.

Both Arab and Israeli experts have been studying the proposals. There certainly may be differences as to the most equitable division of the available water or as to the best location and manner of construction of diversion dams or hydroelectric installations. There may be room for arguments of this kind, since the engineering studies are incomplete. The purpose of Mr. Johnston's current discussion in Cairo and Tel Aviv is among other things to eliminate engineering misconceptions and so far as possible to narrow any areas of disagreement on technical or other aspects of the program. We seek a workable plan which can be accepted despite the continuing political differences among the states concerned and which will bring the maximum benefits to the peoples and these states and make the greatest contribution toward relieving the refugee problem. We hope that our efforts in support of Jordan Valley development, alongside related efforts of the UNRWA, and our other efforts toward economic cooperation, will be interpreted by both Arabs and Israeli as a demonstration of our good will toward all the countries of the area and a constructive example of what President Eisenhower had in mind when he expressed the U.S. policy toward the area as one of "sympathetic and impartial friendship."

Summarizing U.S. Goals

The United States has tried for several years, if I may recapitulate briefly, to render assistance, in response to the needs and aspirations of the Middle East for rural and industrial development. It has collaborated in U.N. efforts to find durable settlement; it has provided technical assistance to most of the countries; it has made large financial contributions to the refugees through UNRWA programs, and contributed to other U.N. agencies directly involved; it has made substantial public loans; and it is now providing some special economic aid of a capital nature.

We shall continue with technical assistance. We are asking the Congress for another regional "package" allocation of \$130 millions for economic development assistance. In our continuing programs we hope to emphasize mutuality of interest and flexibility of approach. Apportionment among countries will depend much on need and demonstration of effective absorptive capacity. We hope private investment will increasingly come to the fore and reduce the need for public assistance. And finally, we shall continue to use our good offices and powers of friendly persuasion toward the general acceptance and implementation of an efficient Jordan Valley development program harnessing the potentialities of the streams which make up this river system. All this we hope will help move the countries of the area toward peace and stability, toward an improved economic life, and toward a greater will to withstand imperialistic encroachments.

Registration of German Postal Savings Books

Press release 335 dated June 21

The Department of State invites the attention of persons in the United States who hold German postal savings books to a regulation which calls for the registration with the Postsparkassenamt Hamburg of savings books of the former German Reichspost. Pursuant to this regulation, which is incorporated in Ordinance No. 112/1954 of the Postal Minister of the Federal Republic of Germany, nonresidents of Germany must apply directly to the Postsparkassenamt Hamburg and should submit their postal savings book with their application. Application may be submitted by the original account holder, his legal representative, his successor, or his heir. If application is made by a person other than the original account holder, it should be accompanied by appropriate evidence of the applicant's legitimate interest therein.

Postal savings books registered under this ordinance will be converted into Deutsche Marks at the rate of 6½ Deutsche Marks for every 100 Reichsmarks previously due.

No deadline has been fixed for filing applications under this ordinance.

The above regulation does not apply to postal savings books whose owners or their heirs were entitled to register their claims under the Berlin Ordinance of December 23, 1949, concerning pre-capitulation credit balances in Berlin unless such persons can prove that due to no fault of their own they were unable to apply for registration of their claims under that ordinance.

Dedication of Library of Free University of Berlin

Following is the text of a congratulatory message sent by Secretary Dulles to the Free University of Berlin on the occasion of the dedication of the university library on June 19:

It gives me great satisfaction to send the greetings of the United States Government and my personal wishes to the faculty and students of the Free University.

Just as Berlin has come to be known as a synonym for political freedom, so the Free University has become a symbol of academic freedom and a beacon to those destined to exist in the Eastern approaches to democracy. Dedicated to the purpose of preserving the truth and of promoting knowledge, the Free University gives meaning and reality to the cultural fellowship enjoyed by all free people. It is a strong reminder that this fellowship is universal and that its privileges can-

not be denied for long to those who have been temporarily deprived of them.

In helping construct these fine buildings the American people have joined hands with the Berliners in a resolve to give visible expression to the indivisibility of Western civilization.

Views Exchanged on Restoration of West German Sovereignty

Press release 345 dated June 23

Ambassador Heinz L. Krekeler called on Secretary Dulles on June 23 with a view to an exchange of views prior to Dr. Krekeler's return to Germany. Among other things, he brought to Secretary Dulles' attention the portion of Chancellor Adenauer's speech before the Christian Democratic Union in Düsseldorf, Germany, on June 20, 1954. He said that in that speech the Chancellor expressed the view that the German people cannot wait indefinitely to have their sovereignty restored, and that, if the ratification of the Epc Treaty is much further delayed, this delay should not keep deferring the return to the German people of their freedom and sovereignty.

Secretary Dulles told Dr. Krekeler that the view thus expressed by Chancellor Adenauer was fully shared by the Government of the United States. The U.S. Government, he said, believes that there is a good prospect of an early completion of the ratifications of the European Defense Treaty. If, however, this hope and expectation should not be realized, it would, in the opinion of the U.S. Secretary of State, be necessary that prompt consideration be given to the restoration of sovereignty to the West German Republic.

French Friendship for U.S.

White House press release dated June 26

*Following is the text of a letter from President René Coty of France in reply to President Eisenhower's letter of June 18:*¹

PARIS, FRANCE

June 23, 1954

MY DEAR MR. PRESIDENT: I am profoundly moved by the sentiments of understanding that you have so kindly expressed to me.

The friendship of our countries is written in history, it is profoundly embedded in the hearts of the French who do not forget the disinterested aid which in the gravest hours the United States has spontaneously provided on two occasions.

¹ BULLETIN of June 28, 1954, p. 990.

This friendship confers on our relations frankness and confidence that has always marked our affairs.

The world must face up to tremendous problems. In agreement with their friends and allies, the United States and France are merging their efforts to preserve the freedom of Europe and to put in the background the conflicts of the past, in order to assure, in peace, the independence of the peoples of Southeast Asia. As you have been kind enough to suggest, the French Government is always ready to proceed with the United States Government to examine the problems involved in the reestablishment of peace in the Far East.

In searching for a system upon which the future depends, France continues to be motivated by her desire for freedom and peace. United to all the peoples of the Atlantic Community, whose solidarity guarantees independence, France has decided to contribute to a rapid and realistic solution of the problem of the defense of Europe.

You have been kind enough to give me the assurance that the American Government was disposed to examine, in the most friendly spirit, the principal aspects of the relations between our two countries. This undertaking is particularly valuable, coming from the Chief of the great American nation, who was Commander of the Armies of the Liberation, whose victory has maintained this freedom which we defend together. I can on my part assure you of the desire of the head of the French Government to see reopened, between our two Governments, in the near future, conversations of a confidential and intimate character resulting from inalterable sentiments of friendship.

I pray you, my dear Mr. President, to find here the expression of my respectful and faithful friendship.

RENÉ COTY

U.S.-Philippine Council Under Mutual Defense Treaty

Press release 341 dated June 23

Secretary Dulles and Philippine Chargé d'Affaires Melquiades J. Gamboa in an exchange of notes on June 23 formalized the establishment of a United States-Philippine Council to consult under the terms of the Mutual Defense Treaty between the two countries. Also present at the ceremony were Carlos P. Romulo, personal and special representative of the President of the Philippines; Lt. Gen. Jesus Vargas, Philippine Armed Forces Chief of Staff; Walter J. Robertson, Assistant Secretary for Far Eastern Affairs; and Rear Admiral William R. Smedberg III, Director of the Politico-Military Policy Division, Office of the Chief of Naval Operations.

Following are the texts of the notes exchanged:

Secretary Dulles to Dr. Gamboa

JUNE 23, 1954

SIR: I refer to my conversation with General Carlos P. Romulo, Personal and Special Representative of the President of the Philippines, on June 15, 1954, in regard to implementation of the Mutual Defense Treaty between the United States of America and the Republic of the Philippines, and to an aide-memoire handed to the Acting Secretary of State by the Personal and Special Representative of the President of the Philippines on June 3, 1954.

During the discussions on June 15, between the Personal and Special Representative of the President of the Philippines and me, we were in agreement that, pursuant to the provisions of the United States-Philippine Mutual Defense Treaty, and in the light of international developments, it would be useful to establish a Council consisting of the Secretary of State, or his Deputy, and the Secretary of Foreign Affairs of the Republic of the Philippines, or his Deputy; that each member of the Council would designate a military representative; that consultations will be held upon the request of either party; and that the time and place of such meetings will be determined by mutual agreement.

I should be glad to know whether the foregoing is acceptable to the Government of the Philippines. If so, we shall promptly proceed accordingly.

Accept, Sir, the renewed assurances of my high consideration.

JOHN FOSTER DULLES

Dr. Gamboa to Secretary Dulles

JUNE 23, 1954

EXCELLENCY: I have the honor to refer to your note of today's date reading as follows:

(Here follows the text of the note from Secretary Dulles, *supra*.)

I am pleased to inform Your Excellency that the arrangements stated above are acceptable to the Government of the Republic of the Philippines and that the latter is prepared to proceed promptly in accordance therewith.

Accept, Excellency, the renewed assurances of my highest consideration.

M. J. GAMBOA

Letters of Credence

Libya

The newly appointed Minister of Libya, Dr. Mansour Fethi El-Kekhia, presented his credentials to the President on June 22. For the text of the Minister's remarks and the text of the President's reply, see Department of State press release 337.

Economic Aid to Libya

Press release 332 dated June 19

The U.S. Minister to the Kingdom of Libya, Henry S. Villard, on June 19 presented a check for 1 million dollars to Libyan Prime Minister Ben Halim at the Federal Government Offices in Tripoli, in connection with economic development in Libya. In letters exchanged on that date the U.S. Minister stressed the continuing interest of the United States in the development of the Libyan economy, and the Prime Minister expressed the gratitude of his Government and the people of Libya.

Gift of Wheat to Libya

Press release 349 dated June 25

The U.S. Government has approved a gift of 6,000 tons of wheat for delivery to Libya. The first shipment of 2,000 tons will be loaded on June 25 and should arrive in Tripoli within the next few weeks. This action is taken in response to the Libyan Government's appeal to the United States for assistance in meeting an urgent need for grain to alleviate shortages resulting from continued droughts throughout Libya.

In announcing in Tripoli the confirmation of the U.S. offer, Henry S. Villard, American Minister to Libya, cited the prompt response of the American Government as another example of the continuing sympathy and interest of the United States in the welfare of the Libyan people. He noted the desire of the United States that the new kingdom should rest on a firm economic foundation. Libya has already received technical and economic assistance from the United States.

The economic position of Libya will probably be among the topics discussed during the visit to the United States in July of the Libyan Prime Minister, Ben Halim.

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Some Challenging Issues Facing the United Nations

by David McK. Key

Assistant Secretary for United Nations Affairs¹

I had no sooner started last Monday to prepare my remarks to you than the sounds of an air-raid warning practice drill caused me to lay aside my pen. This dramatized for me, as I am sure it must have for millions of other Americans, the tensions under which we live as well as the seriousness and magnitude of the problems of our times. I am sure you would agree that the solution of our main international problems is all the more pressing because of the awesome developments in thermonuclear weapons. There can be no question of the urgency confronting mankind to move ahead toward realization of the United Nations Charter goal of a world free of the "scourge of war" where the rights and dignity of man are respected under conditions of justice and freedom. This points up the vital stake which every individual has in the successful functioning of the United Nations.

Against this sobering background, I would like to review with you some of the challenging issues confronting the United Nations, and the prospects for their solution.

Two international meetings now in progress—one in Geneva and one in London—reflect our efforts to achieve peace and security. Both meetings are now well into their second month. Both see the free world pitted against the Communist world. In both meetings we have been trying every possible reasonable approach to reconcile existing differences.

Korean Phase of Geneva Discussions

You will recall that, at the Berlin Conference of Foreign Ministers last February, the United States agreed to a conference at Geneva for two purposes: to achieve a united, free, and independent Korea by peaceful means; and to consider the situation in Indochina. The Geneva meeting opened on April 26. The Korean phase of the dis-

cussions represented in fact the Korean Political Conference called for by paragraph 60 of the armistice. On the one hand were the Republic of Korea and 15 participants in the United Nations action to resist aggression; on the other, the U.S.S.R. and the North Korean and Chinese Communist aggressors. The participants in the Indochina phase of the Conference are France, the United Kingdom, the United States, and the Associated States representing the free nations, while the U.S.S.R., the Chinese Communists, and the Viet Minh are on the Communist side.

On Tuesday of this week the negotiations of the Korean phase of the Geneva Conference were ended. This came after the United Nations side had exhausted every reasonable possibility of coming to an agreement with the Communists. I can think of no better way of pointing up the principles involved and of summarizing the results of the 8 weeks at Geneva than by reading to you the Declaration made unanimously by the 16 Allied nations participating in the Korean conference:

Pursuant to the resolution of August 28, 1953, of the United Nations General Assembly, and the Berlin communique of February 18, 1954, we, as nations who contributed military forces to the United Nations Command in Korea, have been participating in the Geneva Conference for the purpose of establishing a united and independent Korea by peaceful means.

We have made a number of proposals and suggestions in accord with the past efforts of the United Nations to bring about the unification, independence and freedom of Korea; and within the framework of the following two principles which we believe to be fundamental.

1. The United Nations, under its Charter, is fully and rightfully empowered to take collective action to repel aggression, to restore peace and security, and to extend its good offices to seeking a peaceful settlement in Korea.

2. In order to establish a unified, independent and democratic Korea, genuinely free elections should be held under UN supervision, for representatives in the national assembly, in which representation shall be in direct proportion to the indigenous population in Korea.

We have earnestly and patiently searched for a basis of agreement which would enable us to proceed with Korean unification in accordance with these fundamental principles.

The declaration goes on to say:

¹ Address made before the Convention of the United World Federalists at Washington, D.C., on June 18 (press release 328).

The Communist delegations have rejected our every effort to obtain agreement. The principal issues between us, therefore, are clear. Firstly, we accept and assert the authority of the United Nations. The Communists repudiate and reject the authority and competence of the United Nations in Korea and have labelled the United Nations itself as the tool of aggression. Were we to accept this position of the Communists, it would mean the death of the principle of collective security and of the UN itself. Secondly, we desire genuinely free elections. The Communists insist upon procedures which would make genuinely free elections impossible. It is clear that the Communists will not accept impartial and effective supervision of free elections. Plainly, they have shown their intention to maintain Communist control over North Korea. They have persisted in the same attitudes which have frustrated United Nations efforts to unify Korea since 1947.

We believe, therefore, that it is better to face the fact of our disagreement than to raise false hopes and mislead the peoples of the world into believing that there is agreement where there is none.

In the circumstances, we have been compelled reluctantly and regretfully to conclude that so long as the Communist delegations reject the two fundamental principles which we consider indispensable, further consideration and examination of the Korean question by the conference would serve no useful purpose. We reaffirm our continued support for the objectives of the United Nations in Korea.

In accordance with the resolution of the General Assembly of the United Nations of August 28, 1953, the member states parties to this declaration will inform the United Nations concerning the proceedings at this conference.

You will see from this declaration that the issues on Korea between the Communists and the free world are fundamental.

The United Nations in 1947 undertook responsibility for fostering the peaceful unification of Korea. The United Nations members who participated in the Geneva Conference have in their declaration made a ringing reaffirmation of their belief that the Communists cannot be allowed to impugn the authority of the United Nations nor to challenge its basic responsibilities for collective security. They will, accordingly, report to the United Nations upon failure of the Geneva Conference arising from Communist intransigence. We may expect that, after there has been an opportunity to assess the issues as they emerged at this Conference, the United Nations will give further consideration to the next steps.

The declaration by the United Nations side at Geneva makes it very clear that any further negotiations with the Communists in Korea would be futile until the Communists accept the two fundamental principles of the declaration.

Meanwhile, although the armistice remains in effect, the free world will continue to be alert against any possible renewal of Communist aggression in Korea. The rehabilitation and reconstruction work of the United States and the United Nations in Korea continue unabated.

Indochina Phase

As to the Indochina phase of the Conference, we have no basis for hoping that the Communists

will take a more reasonable attitude than they have on the Korean problem. The discussions on this matter are continuing at Geneva. At the same time the people of the free world are turning attention to the United Nations where the Government of Thailand has requested the Security Council to send a peace observation mission to observe the threat to the peace in the general area of Thailand.

As Ambassador Lodge stated on Wednesday in the Security Council,² "It is the view of the United States that it would be prudent and highly desirable to authorize the Peace Observation Commission to observe developments in the area of Thailand in order to provide the United Nations with independent reports on the danger to international peace and security caused by the conflict in Indochina." This is, he pointed out, "precisely the kind of situation for which the Peace Observation Commission was created."

The United Nations observer system in the past has worked effectively in Greece, in Korea, in the Middle East, and in Kashmir. It has served as the eyes and ears of the United Nations. Whether or not the Geneva Conference reaches any workable settlement for restoring peace in Indochina, we believe that the United Nations should have its impartial observers ready to watch and report the facts. The United Nations will then be in a position to assess these facts, weigh the danger and consider what should be done.

London Discussions on Armament Reduction

At London a different type of discussion has been going on, but so far with no more encouraging results than at Geneva. The United States and its free world allies are again attempting to reach agreement with the U.S.S.R. on rational and effective procedures for reducing world armaments and eliminating the threat of nuclear warfare. This Conference has been proceeding in closed sessions without the fanfare surrounding the Geneva Conference. Representatives of France, the United Kingdom, Canada, the United States, and the U.S.S.R. have been meeting as a subcommittee pursuant to a United Nations resolution and will report soon to the full United Nations Disarmament Commission in New York. We have been ably represented at the London meeting by Mr. Morehead Patterson, who happens also to be this year's chairman of the United States Committee for United Nations Day.

When the time comes to appraise the results of the London disarmament talks, it will be useful to bear in mind the fundamental divergencies between the Soviet and the United States approaches to disarmament.

We have consistently called for concrete measures to assure safeguarded disarmament under effective international control. Our aim is to ease

² BULLETIN of June 28, 1954, p. 974.

the burden of armed forces and armaments of all sorts and to lessen the threat of war. We desire specific and binding commitments by all parties, subject to United Nations supervision. The United States believes that an effective disarmament system must include, though not be limited to, the prohibition of both the use and the production of atomic and hydrogen weapons. We want effective safeguards under the United Nations which will insure that disarmament agreements will be carried out. Mere declarations not to use these weapons do not lessen the danger of war nor its destructiveness and would merely deceive the world into thinking there had been progress toward peace and security.

Soviet Position on Disarmament

What has been the U.S.S.R. position? Basically, I am sorry to say, they have limited themselves to eye-appealing superficial slogans. They have treated the subject of disarmament for propaganda purposes.

There are three parts to the Soviet disarmament propaganda package. First, the U.S.S.R. desires us to join with them in a high-sounding declaration of intent to "unconditionally prohibit" atomic, hydrogen, and other weapons of mass destruction. But they offer no provisions to enforce this prohibition. Second, they propose that the five Great Powers reduce their conventional arms and armed forces by one-third from existing levels. But they provide no mechanism to determine what the present levels are or to insure that the reductions would in fact be carried out. This is an obvious device to gain advantage over us, since it would maintain or even increase the Soviet preponderance of power in this field. Third, they have asked the United Nations to recommend the elimination of military, air, and naval bases in the territories of other states. This would, of course, effectively destroy the collective self-defense and regional security arrangements specifically provided for in the charter.

Let me point out again that these are only slogans. They are only as good as the word of those who make them. They do not advance the cause of peace. They serve only to confuse the issue. We would be risking national suicide by accepting such pledges in the light of past Soviet performances. I will be perfectly frank. We simply do not and cannot trust mere Soviet pledges in the absence of effective guaranties.

I know that there are some very honest and sincere people who are so appalled by the devastating nature of modern weapons that they will grasp at any will-of-the-wisp. But we cannot entrust the security of our nation and of the free world to wishful thinking.

I think that anyone who studies the record carefully will conclude that we have persisted with

patience and flexibility in constructive efforts to release mankind from the burden and fear of increasing armaments and the horrors of nuclear warfare. In these efforts we have been repeatedly rebuffed by Soviet maneuvers which belie their professed yearning for peace.

I do not intend to weary you with a long chronology of our efforts, but I would like to run over a few high points of the rocky path that led to our present negotiations in London.

When we had a monopoly of atomic weapons, we proposed the establishment of a United Nations Atomic Energy Commission to devise methods of insuring that atomic energy would be used for peaceful purposes only. But, when the General Assembly in 1948 overwhelmingly approved such a plan, the Soviets refused to approve or accept it or to suggest any reasonable alternative. This prevented the United Nations from putting it into effect.

We also took the lead in trying to make progress toward reduction of armed forces and nonatomic armaments in the Conventional Armaments Commission which was set up in 1947. But when, in 1949, this Commission, largely on United States initiative, presented concrete proposals for a census and verification of armaments and armed forces, the U.S.S.R. promptly vetoed this proposal in the Security Council.

The U.S.S.R. objected to the existence of two separate Commissions—one on atomic energy and one on conventional armaments. They refused to attend meetings of either Commission. We then proposed to merge the two Commissions into a single commission. Whereupon, the Soviets suddenly dropped their previous insistence that the United Nations should take a unified approach to the disarmament problem. They voted against our proposal, but they showed up when the Disarmament Commission later met, apparently being then forced to do so by world opinion.

In the meetings of the Disarmament Commission in 1952 we and our British and French colleagues prepared and presented the outlines of a comprehensive disarmament program to include all armed forces and all arms. We suggested means to disclose and verify all armed forces and all armaments, conventional and atomic, to provide information needed to work out the details of a disarmament program. We suggested fixed ceilings on the armed forces of the five Great Powers which represented great reductions in the size of these forces. We proposed ways to limit conventional armaments and to keep a balance in the armed forces.

When the Soviets said that they did not want to get involved in the details of disarmament, that they wanted to discuss principles, we presented a working paper on the "Essential Principles for a Disarmament Program." Instead of taking this proposal seriously, the Soviets launched their notorious propaganda campaign charging us

falsely with using bacteriological warfare in Korea.

When President Eisenhower made his famous speech of December 8, 1953, to the General Assembly,³ he reluctantly acknowledged the deadlock with the U.S.S.R. on disarmament and proposed that we try a new avenue of approach—a modest beginning in the field of peaceful use of atomic energy so as to give the people of the world the benefits of atomic energy before we had solved all the complex issues of disarmament. And then the Soviets had the effrontery to criticize the President for failing to come to grips with the main problem of disarmament.

You may well say that this has been an 8-year record of frustration. It has been. Yet it is a record of which we can truly be proud. We have been flexible in the face of Soviet intransigence. We have made concessions, not on the unalterable principle of a foolproof system of safeguards, but on political and psychological points which appeared to be blocking the way to joint responsible agreement between the free world and the Soviet Union. We have advanced and will continue to advance proposals which give any hope of leading to disarmament with security for all nations.

Now it is against this background of Soviet obstructionism in the United Nations that we should assess the recent Soviet moves to participate in the United Nations technical assistance program and to join two specialized agencies—the International Labor Organization and UNESCO. These specialized agencies and others were provided for in the United Nations Charter, as you know, to help raise living standards and to improve the general well-being. It is to our interest to support these specialized agencies because we know that they help create a favorable climate for representative and stable governments, and we also know that the continuation of substandard living conditions among two-thirds of the world's population creates an attitude of misery and despair which fosters the spread of communism.

The specialized agencies have established a remarkable record of positive accomplishment. This is demonstrated by the steadily increasing contributions of member states and the larger number of countries which are benefiting from the programs. For millions of the world's population in underdeveloped areas, the specialized agencies are the United Nations. Yet since 1945, the U.S.S.R. and its satellites have neither joined nor supported most of the specialized agencies. They have maintained a halfhearted or temporary membership in a few, but more often they have denounced these specialized agencies as tools of American imperialism.

In the light of this, it was surprising that the Soviets and their satellites made their recent

moves to join with others in the technical assistance program and seemingly to reverse their attitude toward the specialized agencies. The old-line members who have supported and benefited from the work of these agencies, and this includes the United States, are understandably cautious with regard to these latest Communist moves. If the Communists demonstrate by their actions that they will support these and other organizations, then their membership is welcome. If, however, Communist intentions are to sabotage the specialized agencies or to exploit their membership for propaganda purposes, the free-world members will not stand idly by and see the ruination of programs which already have had a marked and favorable impact on the underdeveloped areas.

Charter Review

Let me now turn briefly to a subject which is perhaps not as pressing as some I have already discussed, but which nevertheless merits our considered judgment. I refer to general review of the United Nations Charter. I know your organization has a deep interest in this subject.

When the 1955 session of the United Nations General Assembly votes on whether to call a general conference to review the charter, as provided by article 109, your Government expects to favor the calling of a conference. We are already examining the many issues which are likely to arise at any review conference. We want to be in a position to use with intelligence and discrimination the advice we will be receiving from the Senate subcommittee on the United Nations Charter, chaired by Senator Wiley. We will also give careful consideration to the recommendations of many citizen groups such as your own.

The outcome of this public consultation should be a policy representative of the very best thinking of many informed Americans. We want that policy to have the support of our friends in the free world, who are partners with us in many great enterprises including the United Nations. And we want that policy to command the respect of all in the world, including those who are always prepared to distort our actions and motives.

When Secretary Dulles testified before the Senate subcommittee on January 18 of this year,⁴ he set forth the basic considerations underlying the United States Government's approach to charter review. He also identified some of the policy questions which groups such as your own might be thinking about. Ambassador Lodge further testified on March 3.⁵ I hope all those interested in this important subject will study their full testimony.

To it, I would only add this. History has shown that the behavior of states will not be transformed

³ *Ibid.*, Dec. 21, 1953, p. 847.

⁴ *Ibid.*, Feb. 1, 1954, p. 170.

⁵ *Ibid.*, Mar. 22, 1954, p. 451.

by changes in the language of documents alone. Even if we state our ideals for a better world as we did in the charter, we still face the task of translating those ideals into reality. In a world of sovereign nations, we must strive ceaselessly to develop a level of cooperation among nations which would make possible the fuller realization of the consensus embodied in the present charter.

To those who are dissatisfied or impatient with the United Nations and our participation in it, I want to quote Secretary Dulles' statement: "Differences of opinion about how to strengthen the U.N. should not . . . be pressed to a point . . . that the Review Conference would result in undermining the United Nations or disrupting it. The United Nations as it is, is better than no United Nations at all." The Secretary also said that while we are aware of the desirability of perfecting the charter, we are also determined "not to lose the good that is, in the search for something better."

This sums up this Government's present approach to charter review. We contemplate an active review. We have an open mind as to how this should be done. But having said that, we can plan our future actions only by combining that which is desirable with that which is possible. As we study such thorny problems as universality of membership, voting procedures, the development of law, the colonial problems, and many others, we must constantly test our conclusions against two questions: Is it in the national interest of the United States? And will it actually move us closer to our objective of a world at peace?

United Nations Day, 1954

A PROCLAMATION¹

WHEREAS the United Nations represents man's most determined and promising effort to save humanity from the scourge of war and to promote conditions of peace and well-being for all nations; and

WHEREAS this Government believes that the United Nations deserves our continued firm support and that its success depends not only on the support given it by its members but equally on that of the peoples of the member countries; and

WHEREAS the General Assembly of the United Nations has resolved that October 24, the anniversary of the coming into force of the United Nations Charter, should be dedicated each year to making known the aims and accomplishments of the United Nations:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby urge the citizens of this Nation to observe Sunday, October 24, 1954, as United Nations Day with community programs that will demonstrate their faith and support of the United Nations and create a better public understanding of its aims, achievements, and problems.

I call also upon the officials of the Federal, State, and local Governments, the United States Committee for

¹ No. 3058; 19 Fed. Reg. 3923.

United Nations Day, representatives of civic, educational, and religious organizations, agencies of the press, radio, television, and motion pictures, as well as all citizens to cooperate in appropriate observance of the day throughout our country.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-fourth day of June in the year of our Lord nineteen hundred [SEAL] and fifty-four, and of the Independence of the United States of America the one hundred and seventy-eighth.



By the President:

JOHN FOSTER DULLES

Secretary of State.

International Geophysical Year

White House press release dated June 25

The White House on June 25 released the texts of an exchange of letters between the President and Dr. Chester I. Barnard, Chairman of the National Science Board, concerning the Government's support for an initial appropriation to defray the costs of the U.S. program for participation in an international scientific project known as the International Geophysical Year.

On June 7, 1954, the President transmitted to the Congress a request for supplemental appropriations for the fiscal year 1955, including a request for \$2,500,000 for the National Science Foundation to permit preparations to begin for the program of the International Geophysical Year.

The exchange of letters between the President and Dr. Barnard follows:

President Eisenhower to Dr. Barnard

DEAR DR. BARNARD: I appreciate your letter with respect to the United States program for participation in the International Geophysical Year.

I am glad to support this undertaking. It is a striking example of the opportunities which exist for cooperative action among the peoples of the world. As I understand it, some thirty nations will unite their scientific resources for a simultaneous effort, extending over two years, to penetrate the basic geophysical forces which govern the natural environment in which we live. Under especially favorable conditions, scientists of many nations will work together in extending man's knowledge of the universe. The findings of this research will be widely disseminated throughout the world, aiding in the further development of telecommunications, aviation, navigation, and weather forecasting. It is doubtful whether any single nation could undertake such a program. Acting in concert, each participating nation, con-

tributing within its means, secures the benefits of the program.

The United States has become strong through its diligence in expanding the frontiers of scientific knowledge. Our technology is built upon a solid foundation of basic scientific inquiry, which must be continuously enriched if we are to make further progress. The International Geophysical Year is a unique opportunity to advance science, while at the same time it holds the promise of greater technological gains both for ourselves and for other nations. I am sure that our participation in this far-reaching effort will very materially strengthen our bonds with the many cooperating nations and make a constructive contribution toward the solution of mutual problems.

Sincerely,

DWIGHT D. EISENHOWER

Dr. Barnard to President Eisenhower

MY DEAR MR. PRESIDENT: I wish to convey to you the sincere appreciation of the National Science Board for your wholehearted support of this country's program for the International Geophysical Year as presented in the budget request which you have sent to the Congress.

As you know, there are pressing problems of interest to agencies of the Government and to the nation, as well as to the scientists in the field of geophysics, whose solution primarily depends upon simultaneous observations throughout the world. It is heartening that in times like these so many nations have agreed to cooperate in a world-wide program on scientific matters of interest and concern to all. It is eminently fitting and indeed important that the United States join the other nations in this effort, and that the Federal Government accept responsibility for our participation.

With grateful acknowledgment of your support in this important undertaking, I am

Faithfully yours,

CHESTER I. BARNARD

International Organizations Employees' Loyalty Board

Press release 340 dated June 23

Under Executive Order 10422,¹ issued by President Truman on January 9, 1953, and as amended by Executive Order 10459,² issued by President Eisenhower June 2, 1953, an International Organizations Employees' Loyalty Board was established in July 1953, in the Civil Service Commission to make evaluations as to the loyalty of American citizens currently employed by interna-

tional organizations either in the United States or abroad. Since that time the Board has completed its evaluations in nearly all of the cases of persons already in employment in these organizations, and is now on a current basis of evaluating applicants for future employment.

As a result of investigations conducted by the U.S. Civil Service Commission and the Federal Bureau of Investigation, however, the Board still has under evaluation the cases of a number of U.S. citizens employed by international organizations in their European offices. President Eisenhower's Executive Order 10459 requires that in all cases of U.S. nationals employed in international organizations where investigation has developed information of a derogatory nature, the employee in question must be given an opportunity for a hearing before the Board.

Two alternative courses of action which the Board might take in order to afford U.S. citizens currently employed abroad the opportunity of a hearing presented themselves. One was to suggest that the employees concerned return to the United States for hearing; the other was for the Board itself to proceed to Europe and hold hearings in the places in which the employees were stationed. The first course would naturally result not only in considerable personal inconvenience to the individuals concerned but also in disruption of the work and administrative arrangements of the international organization by which they are employed. Furthermore, the U.S. Government would be required to bear the cost of their journey to the United States and return, and their living expenses while here.

The second course, on the other hand, though involving personal inconvenience by absence from business to some members of the Board, all of whom are serving in a part-time capacity as a public service, would be more economical than the first in terms of expense to the U.S. Government.

After full consideration, it has been determined that the overriding factors should be the convenience of the employees themselves and the international organizations which they serve.

Accordingly it has been decided that the Board should proceed to Europe for the purpose of affording those U.S. citizens whose cases are under evaluation the opportunity for a personal hearing. These hearings will be held in private on the premises of the American Embassy or consulate in the city most convenient for the individuals concerned.

Appearance at these hearings is not compulsory; the decision whether or not to appear is entirely voluntary on the part of the individuals concerned. Nor will their failure to appear prejudice the Board's final decision in their cases. Those concerned, however, will be fully aware that failure to appear will require the Board to proceed to a final determination on the basis of the information at its disposal and without the benefit of hearing the individual's own side of his case.

¹ BULLETIN of Jan. 12, 1953, p. 62.

² *Ibid.*, June 22, 1953, p. 882.

The membership of the Board is as follows: Pierce J. Gerety, Chairman, George J. Kaufmann, Dr. Edmund L. Tink, H. S. Waldman, Lawrence Gilman, and H. Grady Gore.

Executive Orders 10422 and 10459 are intended to assure that U.S. citizens employed on international organizations secretariats are persons of high personal integrity who are fully able to discharge their obligations as international civil servants. Under the provisions of the orders U.S. citizen employees or prospective employees are given the same sort of investigations by the same U.S. Federal agencies, i. e. the U.S. Civil Service Commission and the Federal Bureau of Investigation, as has been the case for various categories of U.S. Federal employees. The results of these investigations are then evaluated against a standard of loyalty to the Government of the United States.

The issuance of Executive Order 10422, while calling for a loyalty determination on U.S. citizens who are or may become international civil servants, does not constitute a fundamental change in basic U.S. policy toward the selection of U.S. personnel by international organizations. It specifically recognizes the right of the heads of those organizations to make the final decision as to employment or termination. At the same time, the United States considers that it is appropriately in its interests to attempt to assure that no U.S. citizen be employed if he is believed to be engaged, or is likely to be engaged in activities regarded as subversive by the U.S. Government. Consideration of past activities of this nature would necessarily be an important factor in any determinations made by the United States in this regard. It is to be noted here that a Commission of International Jurists advised the United Nations that the Secretary-General can and should rid the U.N. Secretariat of U.S. citizens who engage in subversive activities against the United States. Consistent with, and in response to the Jurists' conclusions and recommendations, the Executive order provides for the supplying of information to the Secretary-General on persons decided upon adversely by the United States as a result of a U.S. investigation and review.

Pursuant to Executive Order 10459, an International Organizations Employees' Loyalty Board was established in July 1953, in the Civil Service

Commission and charged with the responsibility of making these evaluations as to loyalty.

The Board is empowered to make advisory determinations as to loyalty in cases where derogatory information about a citizen is disclosed. The Board's determinations in such cases are then turned over to the Secretary of State for transmission to the executive heads of the United Nations and other international organizations.

The Board has now completed its evaluation in approximately 90 percent of the cases of persons already employed in some 46 international organizations, to the number of some 3,000. The remainder of these evaluations, including those employed abroad, are expected to be completed in the near future. The Board has now reached the continuing stage of evaluating the investigations of applicants for future employment.

Appointment to U. S.-Mexican Boundary and Water Commission

The Department of State announced on June 18 (press release 329) the appointment by the President of Col. Leland Hazelton Hewitt, U.S. Army (Ret.), as U.S. Commissioner on the International Boundary and Water Commission, United States and Mexico. The former commissioner, Lawrence Milton Lawson, retired on February 13.

The International Boundary and Water Commission, United States and Mexico, consists of a United States and a Mexican Commissioner, and the treaty of 1944 with Mexico stipulates that each must be an engineer. Functioning under the policy direction of the Department of State and the Mexican Ministry of Foreign Relations, the Commission is charged by numerous treaties and laws with the conduct of an international program for the solution of engineering problems on the 1,900-mile boundary with Mexico. President Eisenhower and President Ruiz Cortines of Mexico late last year dedicated Falcón Dam on the Rio Grande, the first great international dam to be completed by this Commission.¹

¹ For the text of President Eisenhower's address at the dedication, see BULLETIN of Nov. 2, 1953, p. 579.

The U.N.'s Role in Improving the Status of Women

EIGHTH SESSION OF THE U.N. COMMISSION ON THE STATUS OF WOMEN

by Mrs. Lorena B. Hahn

The U.N. Commission on the Status of Women met for its eighth session at New York March 22 to April 9, 1954. Each of the 18 member countries sent a woman delegate to the meeting. Six of the countries represented on the Commission this year are in the Americas, four in Europe, five in the Middle and Far East, and three in Soviet and satellite nations.

The Commission on the Status of Women is one of several advisory bodies of the Economic and Social Council. It is directed to make recommendations to the Council on the rights of women and the elimination of discriminations against them. This is in line with the aims and purposes of the U.N. Charter, which in its preamble reaffirms faith "in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women." The Commission began its work in 1947 by collecting information from governments on pertinent aspects of law and practice and has analyzed and organized this material for ready use. On the basis of this information the Commission considers principles which can be recommended to governments by the Economic and Social Council and the General Assembly.

Action in the Commission this year centered on the major objectives of equal suffrage for women, the elimination of discriminations in regard to nationality, promotion of equal pay for equal work and enlarged opportunities for employment, equality of rights in family and property law, assurance of equal opportunities for girls in education, and development of technical assistance to improve the status of women.

Opening Session and Election of Officers

The Commission was addressed at its opening meeting by Dag Hammarskjöld, Secretary-General of the United Nations. He assured the Com-

mission that the best person available would be selected for each post in the Secretariat regardless of sex, race, color, or creed. The small number of women presently in high Secretariat posts was, he thought, a reflection of the situation in all countries, as highly qualified women had not yet been trained in anything like the same numbers as men. It was logical to think that, as the proportion of women in national life increased, the change would be reflected in the staffs of the international organizations. The Commission expressed appreciation of this statement in a resolution on the subject of participation of women in the work of the U.N. and the specialized agencies.

All officers were unanimously elected. Minerva Bernardino of the Dominican Republic was chosen chairman for a second year. Mrs. John Warde of the United Kingdom was elected first vice-chairman, Mrs. Zofia Dembinska of Poland second vice-chairman, and Mrs. Safiyeh Firouz of Iran rapporteur. Mrs. Mary Tenison-Woods, chief of the section on Status of Women in the U.N. Secretariat, represented the Secretary-General in later meetings, and Mrs. Sonia Grinberg-Viniver, deputy chief, served as secretary.

Political Rights for Women

The Commission gave first attention to political rights for women. The Secretary-General's annual report showed important gains in the past year in Mexico and Syria, bringing to 60 the total number of countries where women vote on equal terms with men. Women vote under certain limitations in 6 more but are denied the vote altogether in 17 countries—Afghanistan, Cambodia, Colombia, Egypt, Ethiopia, Honduras, Iran, Iraq, Jordan, Laos, Libya, Liechtenstein, Nicaragua, Paraguay, Saudi Arabia, Switzerland, and Yemen.

Of the 24 governments which have extended voting rights to women since 1945, when the U.N.

Charter was signed, 6 are presently members of the Commission—Burma, Chile, China, Haiti, Lebanon, and Venezuela. In another member country, Pakistan, women are voting for the first time as an electoral system is set up. In one member country, Iran, women are still denied the right to vote. But so far no country which has become a member of the Commission without woman suffrage has failed to grant women at least partial voting rights before its term of office has expired.

The Commission has analyzed the history of woman suffrage, beginning with the first grant in our territory of Wyoming in 1869, as a means of helping governments where women do not yet vote. The Commission has also developed study materials on citizenship responsibilities for use in countries where large numbers of women are voting for the first time. A new document this year contained suggestions from nongovernmental organizations. Reports showed that two pamphlets published by the U.N. in this field, *The Road to Equality* and *Political Education of Women*, were nearly sold out and the Commission urged further printings. The United States abstained on a resolution urging countries to ratify the U.N. Convention on Political Rights of Women, since we do not intend to become a party to it. Women in the United States already have the rights to vote and to hold public office specified in this convention.

Nationality of Married Women

The Commission considered two proposals in the field of nationality. The first, sponsored by Cuba, was a revised draft convention on the nationality of married women based on a text circulated to governments last year. The Commission recommended that the text be circulated again. The United States opposed further work on this convention on the ground that more effective action can be expected from the work of another U.N. body, the International Law Commission, which is now studying the subject of nationality as a whole.

The second proposal, sponsored by the United States, voiced the principle that a woman should have the same right as a man to retain her nationality on marriage to an alien. This resolution strikes directly at the principal discrimination experienced by women in the nationality field and was adopted without dissent. If approved by the Economic and Social Council, it will become a formal recommendation to governments, many of which are revising their nationality laws. Women in this country have enjoyed this right for many years, and the United States has ratified the Inter-American Convention on the Nationality of Women, which is based on a similar principle.

Equal Pay

Because in every country there are women who must earn a living, for themselves and often for members of their families, the Commission cooperates closely with the International Labor Organization to improve their situation. The ILO progress report this year showed that 15 countries are considering action in response to the Convention and Recommendation on Equal Remuneration for Men and Women Workers for Work of Equal Value adopted by the ILO in 1951. While the principle of equal pay for equal work is recognized in the constitutions and legislation of a number of countries, problems arise in making it effective in practice.

The Commission adopted two resolutions on equal pay. The first, proposed by Byelorussia, reaffirmed the equal-pay principle in general and urged action by governments. The United States and Sweden opposed this resolution as inadequate because it made no mention of the ILO, which is the agency responsible for international work in this field, and because it omitted all reference to free-enterprise methods of implementation such as collective bargaining and voluntary agreements between employers and employees. The United States and Sweden sponsored a second resolution, adopted without dissent, which not only upheld the principle of equal pay but made recommendations for both official and nongovernmental action.

The test of real support of equal pay is the extent to which the principle is observed in practice. The key to enforcement is largely in the hands of nongovernmental organizations—labor unions, employers' associations, women's groups, and others, who can establish a favorable climate of understanding by realistic appraisal of the factors involved. Since the ILO reports describe only official action by governments, the United States-Swedish resolution requested information next year from nongovernmental organizations on methods they had found useful in promoting action on equal pay. The experience of national branches of these groups can thus be channeled to the United Nations and become a stimulus to efforts for equal pay in many areas of the world.

Economic Opportunities

In most countries women need more employment opportunities. The Commission has urged countries which still bar women from certain professions to abolish such restrictions and has emphasized the need for vocational and professional training. It has also been concerned with problems faced especially by women. Two such problems were considered this year—part-time work, which is particularly adapted to the needs of women with family responsibilities, and the situation of older women workers.

The discussion of part-time work showed a growing appreciation of its value to the economy of a country as well as to the individuals concerned. In previous sessions some countries expressed fears that part-time work schedules would reduce full-time employment and threaten sound labor standards. Experience in the United States was reflected in the documentation prepared on this item, which included reports from the International Federation of University Women and the International Federation of Business and Professional Women's Clubs. Frequent reference was also made to the pamphlet on *Part-time Work for Women* and other material published by our Women's Bureau. The Commission looked forward to completing study of this field next year.

A preliminary review of opportunities for older women workers showed openings in clerical, subprofessional, and similar fields. The ILO is currently studying these occupations and will report further next year. The Commission renewed a request for information on possibilities in "cottage industries," through which many women in underdeveloped areas contribute to family income.

The Commission added an item to its agenda for next year on "the protection of the working mother."

Family Law and the Property Rights of Married Women

This year the Commission continued its consideration of the legal situation of married women. It adopted recommendations condemning the practices of bride-price and child marriage where these still exist, asserting the right of a woman to engage in independent work and control her earnings, and urging equality in regard to property and other matters. Policy formulations in this field require long-range study.

Because systems of law vary greatly, not merely between but even within countries, as the result of historical, religious, and economic factors, the Commission began last year to analyze characteristic legislation on married women's property rights, domicile and residence, and parental rights and duties. Preliminary studies this year showed that differences in types of laws do not necessarily indicate discrimination, since there are various ways of assuring equal treatment for the marriage partners. For instance, in our own country, some of our States base their family legislation on the system of community property and others on the common law of separate property. Women coming to the United States are usually very interested in our laws, which they feel provide general equality and at the same time recognize the differing responsibilities of husbands and wives for the support of the family and care of the children.

The Commission discussed a highly informative survey by the U.N. Educational, Scientific

and Cultural Organization on the education of girls through the primary and elementary grades. The report not only indicated substantial progress in needy areas but also the need for continued work. Where a smaller number of girls than boys is attending school, the problem is due to lack of facilities and interest rather than to prohibitions in law. A report on "The Education of Girls in Non-Self-Governing Territories" prepared by another committee of the United Nations also showed considerable progress, though by no means achievement of the desired standards. The Commission recommended a study by UNESCO on methods which seemed to be helpful in increasing school attendance by girls, to be presented at its next session. It also urged wider use of women as teachers in areas where it has not been customary to employ them.

Technical Assistance

The General Assembly last fall approved expanding the technical assistance program to include advice on the status of women to governments requesting such aid. No requests from governments has as yet been received, but a report from the All-Pakistan Women's Association said it has asked the Government of Pakistan to request aid in citizenship education. The Commission commended especially a memorandum prepared by the Secretariat on fellowships and other assistance available for the training of persons interested in the status of women.

Participation by Others

In accordance with regular United Nations procedures, representatives of recognized nongovernmental organizations participated in the session. Among those present this year were the International Alliance—Equal Rights and Equal Responsibilities, the International Council of Women, the International Federation of Business and Professional Women's Clubs, the International Federation of University Women, the Liaison Committee of Women's International Organizations, the Women's International League for Peace and Freedom, the World Union of Catholic Women's Organizations, and the World Young Women's Christian Association. The Governments of Israel and Argentina, though not members of the Commission, sent official observers, as did also Japan and the German Federal Republic, which are not members of the U.N. UNESCO and the ILO were represented by staff officers carrying responsibility for women's interests. The Inter-American Commission of Women, a regional intergovernmental body with which the U.N. Commission cooperates, was represented by its chairman and executive secretary.

Among the closing expressions was a statement by the Liaison Committee of Women's International Organizations thanking the Commission for the confidence it had repeatedly expressed in nongovernmental organizations by drawing on their suggestions and experience. The chairman in return expressed appreciation of contributions of voluntary groups to the documentation and the discussions on agenda items. Many of these contributions came from the United States branches of these organizations and have thus become a part of the Commission's effort to exchange information across the world.

Conclusion

I am often asked why the United Nations is concerned to improve the status of women. My answer, based on observation in the United Nations and previous experience abroad, is that today women are moving, some for the first time, some more rapidly, into public life and public responsibilities. They are seeking a better life for their children and their families as well as for themselves. It is important that they utilize the

United Nations, where all points of view can be discussed fully, as well as other means, for achieving their hopes.

As a practical matter, the Commission on the Status of Women has brought into focus experience of countries where women have become an effective part of national life, so that governments can judge wisely in adapting their laws and institutions to this new potential of womanpower. Equality for women is a simple human right. The hope is to hasten the time when women can make their full contribution in every country. The Commission has already demonstrated competence in developing documentation and directing it to specific needs. The formulation of recommendations to advance the status of women involves responsibilities which will continue to challenge the wisdom of the Commission and of its parent body, the Economic and Social Council.

• *Mrs. Hahn, author of the above article, is the U.S. representative on the U.N. Commission on the Status of Women. For texts of statements which she made during the eighth session, see BULLETIN of Apr. 26, 1954, p. 646.*

The Guatemalan Complaint Before the Security Council

Following are three statements made before the Security Council by Henry Cabot Lodge, Jr., U.S. Representative to the United Nations.

STATEMENT OF JUNE 20

U.S./U.N. press release 1924 dated June 20

The United States believes in the basic proposition that any member, large or small, has the right to an urgent meeting of the Security Council whenever it feels itself to be in danger. This is so even when, as is sometimes the case, the Security Council may not itself be in the best position to deal directly with the situation.

Guatemala charges that other governments are pursuing a policy of hostility and aggressiveness against it.¹ The specific Guatemalan allegations involve two of its immediate neighbors, Honduras and Nicaragua, who are charged with disturbing the peace in a particular part of Central America. These charges are indeed serious and certainly warrant urgent examination.

¹ U.N. doc. S/3232 dated June 19.

But the question arises as to where the situation can be dealt with most expeditiously and most effectively.

The situation appears to the U.S. Government to be precisely the kind of problem which in the first instance should be dealt with on an urgent basis by an appropriate agency of the Organization of American States. The very fact that the Government of Guatemala as a member of the Inter-American System has already requested that the Organization of American States take action strengthens this view.

It would perhaps be in order for me to inform the Council that, while the reports that we receive on the situation in Guatemala are incomplete and fragmentary, the information available to the United States thus far strongly suggests that the situation does not involve aggression but is a revolt of Guatemalans against Guatemalans. The situation in Guatemala, out of which this problem arises, has caused grave concern to the U.S. Government and to the other members of the Organization of American States. Consequently, the members of the Organization of American States have for some time been conferring intensively among themselves on the Guatemalan situation with a view to deciding upon what steps should be

taken for the maintenance of peace and security of the continent.

No Charge Against U.S.

I am very glad that the Guatemalan representative made it crystal clear that he makes no charge whatever against the U.S. Government, because it is certainly true that the United States has no connection whatever with what is taking place.

I am constrained to note that, although he made no charges against the United States, the Guatemalan representative did cite a number of unfavorable comments made by others concerning Secretary Dulles, Ambassador Peurifoy, and Ambassador John M. Cabot. In fact, more of the time of his speech was given up in citing these statements that others had made—newspaper articles and hearsay—than in the actual charge that he made. Those tactics, of course, always give one the impression that instead of being interested in getting the answer to the question, What is the truth?, the speaker is more interested in getting the answer to the question, What is the headline going to be?

Now, I do not think it is necessary for me here in the United Nations to make a lengthy speech about Secretary Dulles. Secretary Dulles has worked here for years. He is very well known personally to most of the men in this room. The merest inference that he could be actuated by any consideration other than that of duty is one which certainly reflects no credit on him who utters it.

To anyone who knows President Eisenhower—and many of you know him—it must be crystal clear that there is a man who is utterly devoted to the principles of democracy, to the rights of man, and who abhors all forms of imperialism, who led a great army in World War II against Nazi imperialism, and who has shown by every word and deed of his life since the day when he was a small boy in Kansas that his heart is always on the side of the little man who is trying to get by in life.

The Secretary of State did nothing at Caracas which was not in accordance with the facts. As a matter of fact, the only authorities which the Guatemalan representative cites are the U.S. press. The U.S. press, estimable though it is and deeply as I respect it, does not speak for the U.S. Government, and I am sure the U.S. press will agree with me in that respect. You can find as many different opinions in the U.S. press as you care to look for.

Then the Guatemalan representative cites American companies, and, of course, they do not speak with the voice of authority.

Finally, he refers to Mr. Patterson [Richard C. Patterson, Jr., U.S. Ambassador to Guatemala from October 1948 until March 1951]. Well, Mr. Patterson does not hold office under this admin-

istration. He has never held office under this administration. Whatever he says is entirely on his own authority as an individual, and just as I will not judge the opinion of the Guatemalan Government about the United States on the basis of what some individual Guatemalan may say, so I will ask the Guatemalan representative not to judge the U.S. opinion about Guatemala on the basis of what some individual citizen of the United States may say.

I would like to point out that the Guatemalan representative has never produced any names or dates or other specific indications showing that the State Department has ever acted in an improper manner.

Now, this discussion began with a speech of Ambassador Castillo-Arriola which, as I say, was correct in tone. Then came the unspeakable libels against my country by the representative of the Soviet Union, which, in the words that Sir Gladwyn Jebb used last autumn, make me think that his reason must be swamped when he says things like that about the United States.

Then, as a climax, we had the crude performance in the gallery—a sequence which I fear is not without significance. Of course, anyone is capable of filling the galleries with paid demonstrators, and we hope that the Communists who think this is such clever politics will outgrow it after a while. It may take time.

No Satellites in OAS

The representative of the Soviet Union said that the United States is the master of the Organization of American States. When he says that, he is not reflecting on us. He is reflecting on himself, because it shows that he cannot conceive of any human relationship that is not the relationship of master and servant. He cannot conceive of a relationship in which there is a rule of live and let live, in which people are equals and in which people get along by accommodation and by respecting each other.

He can just imagine what would happen to somebody who raised his voice against the Soviet Union in Poland, Czechoslovakia, or Estonia, or one of those countries, and compare that with the way in which representatives of smaller countries in the United Nations constantly disagree with the United States—and they are welcome to do it. We have no satellites and we do not want any; and we do not desire to set up a monolithic structure in the free world.

Then the Soviet representative said that the United States prepared this armed intervention. That is flatly untrue. I will challenge him to prove it—and he cannot do so.

It is interesting to me, who spent 13 years of my life in the United States Senate, to come here and find that in the person of the representative of the

Soviet Union we have such an outstanding authority on the United States Senate. Apparently, he knows all. Though he never has set foot inside the place, he apparently knows much more about the United States Senate than men who have been members of it for many years. When he infers that the Senators of the United States allow their official actions to be determined in accordance with their private financial interests, he is making an accusation which not only reflects no credit upon himself but which reflects a grave doubt on the wisdom and the good intent and the sincerity of every policy which his Government advocates here today.

I will call his attention to the fact that I was in the Senate at the beginning of World War II when the Senate voted the Lend-Lease Bill whereby the United States aided the Soviet Union in its fight to repel Nazi imperialism. At that time we did not hear anything out of the Soviet Union criticizing the motives of the Senators of the United States who were then voting to help the Soviet Union.

Now, the men who are in the United States Senate today are precisely the same kind of men who voted to help the Soviet Union. If they were good enough then to help the Soviet Union, they are good enough now to stand up for the interests of their country.

I notice the representative of the Soviet Union is smiling, which leads me to believe that he does not really believe the things that he has said and that he has said them under instructions. I trust that is the case.

Now, he has told us that he intends to veto the pending resolution. That will be the second veto by the Soviet Union in 3 days. We had veto No. 59 on Friday, and now we are going to have veto No. 60 on Sunday. And, vetoing what? Vetoing a move to ask the Organization of American States to solve this problem, to try to bind up this wound in the world and then report back to the Security Council—not to relieve the Security Council of responsibility. This resolution does not do that. It just asks the Organization of American States to see what it can do to be helpful. Here it says in paragraph 2 of article 52, "the Members of the United Nations entering into such arrangements"—that is, regional arrangements—"or constituting such agencies shall make every effort to achieve pacific settlement of local disputes through such regional arrangements or by such regional agencies before referring them to the Security Council."

Now, at the very least, that is a harmless provision. It is an intelligent provision. It is a constructive provision. Why does the representative of the Soviet Union, whose country is thousands and thousands of miles away from here, undertake to veto a move like that? What is his interest in it? How can he possibly—how can this action of his possibly fail to make unbiased observers

throughout the world come to the conclusion that the Soviet Union has got designs on the American Hemisphere. There is no other explanation of it. And the recent articles in *Pravda* and *Izvestia* which have appeared in the last 2 or 3 days give color to that assertion.

I say to you, representative of the Soviet Union, stay out of this hemisphere and don't try to start your plans and your conspiracies over here.

STATEMENT OF JUNE 22

U.S./U.N. press release 1925 dated June 22

I note specifically the cable from Mr. Toriello does not ask for another meeting of the Council.

As President of the Security Council I was very glad to respond to his request for an urgent meeting of the Council last Sunday.

The Security Council, after exhaustive discussion, by a vote of 10 to 1, voted last Sunday [June 20] that the right place to go to get peace in Guatemala is the Organization of American States, where there is both unique knowledge and authority.² The one vote against this was that of the Soviet Union.

In the face of this action, therefore, those who continually seek to agitate the Guatemalan question in the Security Council will inevitably be suspected of shadow boxing—of trying to strike attitudes and issue statements for propaganda purposes.

I can understand that the Soviet Union, which, by its cynical abuse of the veto, has crudely made plain its desire to make as much trouble as possible in the Western Hemisphere, should constantly seek to bring this matter before the Security Council.

But the Government of Guatemala should not lend itself to this very obvious Communist plot, lest they appear to be a cat's paw of the Soviet conspiracy to meddle in the Western Hemisphere. In fact, as it is, many persons will wonder whether the whole imbroglio in Guatemala was not cooked up precisely for the purpose of making Communist propaganda here in the United Nations. This I am sure Mr. Toriello would not want.

The fact that it has become increasingly plain that the situation in Guatemala is clearly a civil—and not an international—war, makes it even more appropriate that the Security Council should not intervene further.

The Security Council showed last Sunday by a vote of 10 to 1 that it emphatically believed that the Organization of American States was the place to try to settle the Guatemalan problem. To fly squarely in the face of this recommendation would raise grave doubts as to the good faith of those who make such requests.

² The draft resolution (U.N. doc. S/3236/Rev. 1/Corr. 1) was proposed by Brazil and Colombia and amended by France.

STATEMENT OF JUNE 25

U.S./U.N. press release 1927 dated June 25

Now, Gentlemen, the Government of the United States joins its colleagues in the Organization of American States in opposing the adoption of the provisional agenda. We have taken this position only after the most careful consideration. We believe that there should be great liberality with reference to the consideration of items by either the Security Council or the General Assembly, but in the present case, we believe that an issue was involved which is so fundamental that it brings into question the whole system of international peace and security which was created by the charter at San Francisco in 1945.

When the charter was being drafted, the most critical single issue was that of the relationship of the United Nations as a universal organization to regional organizations, notably the already existing Organization of the American States. There were a good many days in San Francisco when it seemed that the whole concept of the United Nations might fail of realization because of the difficulty of reconciling these two concepts of universality and regionalism. Finally, a solution was found in the formula embodied in articles 51 and 52 of the charter. Article 51 recognized the inherent right of individuals to collective self-defense, and article 52 admitted the existence of regional arrangements for dealing with such matters related to the maintenance of international peace and security as are appropriate for regional action. Article 52 provided that the Security Council had the inherent right to investigate any dispute or situation under article 34 which might lead to international friction. While any member of the United Nations might bring any dispute or situation to the attention of the Security Council under article 35, nevertheless members of the United Nations who had entered into regional arrangements should make every effort to achieve pacific settlements of local disputes through such regional arrangements before referring them to the Security Council. The Security Council should thus encourage the development of pacific settlement of local disputes through regional arrangements.

Now, Gentlemen, by that formula a balance was struck between universality, the effectiveness of which was qualified by the veto power, and regional arrangements. The adoption of that formula permitted the charter of the United Nations to be adopted. Without that formula there would never have been a United Nations.

If the United States Senate in 1946 had thought that the United Nations Charter in effect abrogated our inter-American system, I say to you as a man with 13 years' experience in the Senate, the charter would not have received the necessary two-thirds vote. And, in my judgment, the American people feel the same way today.

Translating a Formula Into a Reality

Now for the first time, the United Nations faces the problem of translating that formula from one of words into one of reality. The problem is as critical as that which faced the founders at San Francisco in 1945. Let us not delude ourselves. If it is not now possible to make a living reality of the formula which made possible the adoption of the charter, then the United Nations will have destroyed itself in 1954 as it would have been destroyed still-born in 1945 had not the present formula been devised primarily under the creative effort of the late Senator Vandenberg and the present Secretary of State, Mr. Dulles, working with Secretary Stettinius and other administration leaders. It was this formula which secured bipartisan support in the United States in 1946. And I note by a completely bipartisan vote the Senate today declared that the international Communist movement must be kept out of this hemisphere.

Text of Senate Concurrent Resolution 91¹

WHEREAS for many years it has been the joint policy of the United States and the other States in the Western Hemisphere to act vigorously to prevent external interference in the affairs of the nations of the Western Hemisphere; and

WHEREAS in the recent past there has come to light strong evidence of intervention by the international Communist movement in the State of Guatemala, whereby government institutions have been infiltrated by Communist agents, weapons of war have been secretly shipped into that country, and the pattern of Communist conquest has become manifest; and

WHEREAS on Sunday, June 20, 1954, the Soviet Government vetoed in the United Nations Security Council a resolution to refer the matter of the recent outbreak of hostilities in Guatemala to the Organization of American States; Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the United States should reaffirm its support of the Caracas Declaration of Solidarity of March 28, 1954, which is designed to prevent interference in Western Hemisphere affairs by the international Communist movement, and take all necessary and proper steps to support the Organization of American States in taking appropriate action to prevent any interference by the international Communist movement in the affairs of the States of the Western Hemisphere.

¹ Approved by the Senate on June 25.

So much for the part of the United States in what happened at San Francisco.

The great weight of the effort at San Francisco, however, was made by the other American Republics, as you have heard Ambassador Gouthier²

² Hugo Gouthier, Brazilian representative.

and Ambassador Echeverri⁴ say before me. The representatives of the other American Republics were determined that the United Nations should be supplementary and not in substitution or impairment of the tried and trusted regional relationships of their own.

The United States, who took such an active part in drafting the charter provisions in question, soberly believes that, if the United Nations Security Council does not respect the right of the Organization of American States to achieve a pacific settlement of the dispute between Guatemala and its neighbors, the result will be a catastrophe of such dimensions as will gravely impair the future effectiveness, both of the United Nations itself and of regional organizations such as the Organization of American States. And that is precisely what I believe to be the objective of the Soviet Union in this case. Otherwise, why is he so terribly intent upon doing this?

The present charter provisions were drafted with particular regard for the Organization of American States, which constitutes the oldest, the largest, and the most solid regional organization that the world has ever known. The distinctive relationship of the American States dates back to the early part of the last century. Throughout this period of over 130 years, there has been a steady development of ever closer relations between the 21 American Republics. They have achieved a relationship which has preserved relative peace and security in this hemisphere and a freedom from the type of wars which have so cruelly devastated the peoples of Europe and Asia. The Organization of American States is an organization founded upon the freedom-loving traditions of Bolivar, of Washington, and of Abraham Lincoln.

The 21 American Republics have been bound together by a sense of distinctive destiny, by a determination to prevent the extension to this hemisphere of either the colonial domain of European powers or the political system of European despotism. They have repeatedly pledged themselves to settle their own disputes as between themselves and to oppose the interposition into their midst of non-American influences, many of which were abhorrent to the ideals which gave birth to the American Republics and which sustained them in their determination to find a better international relationship than has yet been achieved at the universal level.

Evidence of Communist Intervention

There has recently been evidence that international communism, in its lust for world domination, has been seeking to gain control of the political institutions of the American States in violation of the basic principles which have from the begin-

ning inspired them freely to achieve their own destiny and mission in the world.

Now it is our belief that the great bulk of the people of Guatemala are opposed to the imposition upon them of the domination of alien despotism and have manifested their resistance just as have many other countries which international communism sought to make its victim. The Government of Guatemala claims that the fighting now going on there is the result of an aggression by Honduras and Nicaragua. It claims that it is a victim. It asks for an investigation. It is entitled to have the facts brought to light. The procedures for doing that are clearly established within the regional Organization of American States. These states have established a permanent Inter-American Peace Committee to handle problems of this nature. Guatemala, Honduras, and Nicaragua all applied to that Committee for assistance in resolving this problem. The Committee has agreed to send a fact-finding committee to the area of controversy for that purpose. Guatemala has attempted to interrupt this wholesome process by first withdrawing its petition, and, second, by withholding its consent for the fact-finding committee to proceed with its task. Nevertheless, because the members of the Committee feel that it is inconceivable that Guatemala will obstruct the very investigation for which she has been clamoring for days, the Committee is firmly and vigorously preparing to proceed to the area of controversy.

The Government of Guatemala has regularly exercised the privileges and enjoyed all the advantages of membership in the Organization of American States, including those of attending and voting in its meetings. It is obligated by article 52, paragraph 2 of the charter, to "make every effort to achieve pacific settlement of local disputes through regional arrangements." Its effort to bypass the Organization of American States is in substance a violation of article 52, paragraph 2.

We hear today that Guatemala, after years of posing as a member of that Organization, now for the first time claims that she is not technically a member thereof. To have claimed and to have exercised all the privileges of membership for a number of years and then to disclaim the obligations and responsibilities is an example of duplicity which surely the Security Council should not condone. Either Guatemala is a member of the Organization of American States and therefore bound by article 52, paragraph 2, or else it is guilty of duplicity such that it cannot come before the Security Council with clean hands.

Now, if we adopt the agenda, we in effect give one state, in this case Guatemala, a veto on the Organization of American States. It is not possible to do both. You do one at the expense of the other in this case.

In any event, the United States is a member of

⁴ Carlos Echeverri-Cortes, representative of Colombia.

the Organization of American States, and as such we are clearly bound by article 52, paragraph 2 of the charter. The United States is also bound by article 20 of the charter of the Organization of American States which provides:

All international disputes that may arise between American States shall be submitted to the peaceful procedures set forth in the Charter before being referred to the Security Council of the United Nations.

Well, that has been so for a long time.

The United States does not deny the propriety of this danger to the peace from Guatemala being brought to the attention of the Security Council in accordance with article 35 of the charter, and that has been done. As I said, I called the meeting the day after I received the message. The United States is, however, both legally and as a matter of honor bound by its undertakings contained in article 52, paragraph 2, of the charter and in article 20 of the charter of the Organization of American States to oppose Security Council consideration of this Guatemalan dispute upon the agenda of the Security Council until the matter has first been dealt with by the Organization of American States, which through its regularly constituted agencies is dealing actively with the problem now.

The United States is in this matter moved by more than legal or technical considerations, and I recognize that. We do not lightly oppose consideration of any matter by the Security Council. We are, however, convinced that a failure by the Security Council to observe the restraints which were spelled out in the charter will be a grave blow to the entire system of international peace and security which the United Nations was designed to achieve.

The proposal of Guatemala, supported most actively by the Soviet Union, which in this matter has already passed its 60th veto, is an effort to create international anarchy rather than international order. International communism seeks to win for itself support by constantly talking about its love of peace and international law and order. In fact, it is the promoter of international disorder.

Gentlemen, this organization is faced by the same challenge which faced the founders at San Francisco in 1945. The task then was to find the words which would constitute a formula of reconciliation between universality and regionalism. And now the issue is whether those words will be given reality or whether they will be ignored. If they be ignored, the result will be to disturb the delicate but precious balance between regional and universal organizations and to place one against the other in a controversy which may well be fatal to them both.

The balance struck by the charter was achieved at San Francisco in the face of violent opposition of the Soviet Union at that time. It sought from the beginning to secure for the Security Council,

where it had the veto power, a monopoly of authority to deal with international disputes. Today international communism uses Guatemala as the tool whereby it can gain for itself the privileges which it was forced to forego at San Francisco. I say with all solemnity that, if the Security Council is the victim of that strategy and assumes jurisdiction over disputes which are the proper responsibility of regional organizations of a solid and serious character, then the clock of peace will have been turned back and disorder will replace order.

The Guatemalan complaint can be used, as it is being used, as a tool to violate the basic principles of our charter. It is to prevent that result, which would set in motion a chain of disastrous events, that the United States feels compelled to oppose the adoption of the provisional agenda containing the Guatemalan complaint and appeals to the other members to join with us in avoiding a step which, under the guise of plausibility and liberality, will, in fact, engage this organization in a course so disorderly and so provocative of jurisdictional conflict that the future of both the United Nations and of the Organization of American States may be compromised and a grave setback given to the developing processes of international order.⁵

Call for Special Meeting of Inter-American Council

Press release 351 dated June 26

The United States on June 26 joined with nine other American Governments in requesting the Chairman of the Council of the Organization of American States to call a special meeting of the Council as soon as possible in order to convoke a Meeting of Foreign Ministers under the Inter-American Treaty of Reciprocal Assistance (Treaty of Rio de Janeiro) on July 7, 1954. The request was incorporated in a note addressed to Ambassador Héctor David Castro of El Salvador, Chairman of the Council. Following is a translation of the note.

JUNE 26, 1954

DEAR MR. CHAIRMAN:

Our Governments view with increasing concern the demonstrated intervention of the international communist movement in the Republic of Guatemala and the danger which this involves for the peace and security of the Continent. The recent outbursts of violence in the area intensify considerably this concern and pose an urgent need to hold a meeting of the Organ of Consultation. It

⁵ The vote on the adoption of the agenda on June 25 was 4 (U.S.S.R.)-5 (U.S.)-2; since 7 affirmative votes were required for adoption, the agenda was not adopted.

is abundantly clear that the nations of this Continent are today faced with a situation which they believe endangers the peace of America and affects the sovereignty and political independence of the American States.

In fulfillment of instructions received from our respective Governments, the undersigned members of the Council propose that a Meeting of Ministers of Foreign Affairs be convoked, in accordance with Article 6 and Article 11 of the Inter-American Treaty of Reciprocal Assistance, to act as Organ of Consultation for the purpose of considering the danger to the peace and security of the Continent and to agree upon the measures which it is desirable to take. To this effect, we request Your Excellency to call a meeting of the Council in extraordinary session as soon as possible.

In view of the extreme urgency which exists, it is proposed that the opening session of the Meeting of the Organ of Consultation be held July 7.

In thanking Your Excellency in advance for the attention which you, in your high position as President of the Council, will give to the request of our governments, we are happy to reiterate the expressions of our highest consideration and esteem.¹

Soviet Veto of Thai Request for Peace Observers

*Statement by Henry Cabot Lodge, Jr.
U.S. Representative to the United Nations*²

U.S./U.N. press release 1923 dated June 18

The Chair will recognize himself in his capacity as representative of the United States and make a few comments on what seems to him a singularly ill-advised speech and action on the part of the representative of the Soviet Union.

He asks what is the hurry? That is a strange question to ask a small nation which considers itself to be in danger of having its citizens killed. The representative of the Soviet Union and I happen to represent big countries, but I continue to hope that we can look at the representatives of small countries with sympathy and understanding. The United States was a small country for a long

¹ The note was signed by the following representatives on the Council of the Organization of American States: Guillermo Sevilla Sacasa (Nicaragua), Juan Bautista de Lavalley (Peru), Gonzalo Guell (Cuba), Rafael Heliodoro Valle (Honduras), John C. Dreier (United States), Roberto Heurtematte (Panama), Jacques François (Haiti), José Ramón Rodríguez (Dominican Republic), Fernando Lobo (Brazil), and Antonio Facio (Costa Rica).

² Made in the Security Council on June 18. For text of the Thai draft resolution which the Soviet Union vetoed at the June 18 session, see BULLETIN of June 28, 1954, p. 975.

time and still looks at many things from the standpoint of a small country. I hope that I will never live to see the day when a small country comes to the United Nations and asks for protection against war and is simply greeted with the question, "What's the hurry?" The Thai representative has eloquently told us precisely what the hurry is.

The Soviet representative has accused the United States of moving toward the establishment of conditions which can make possible intervention by the United States. Let me thank my distinguished colleague from the United Kingdom for his very effective words to put the record straight in that particular. This Soviet allegation is particularly ludicrous in view of the Communist activity in aiding the aggressors in Southeast Asia and the increased outpouring of Communist supplies to those forces from as far away as the Skoda Works in Czechoslovakia. We recall the fighting in Korea when apparently the Soviet Union was willing to go on fighting to the last Chinese Communist.

The fact is that the United States has tried to respond to requests for aid by the peoples and their governments who are attempting to defend their independence against imperialistic communism, which is the 20th century colonialism of the Soviets that has already engulfed 600 million people.

Now it is perfectly true, and we don't deny it, that the United States has used its strength to uphold the independence of free states, and in doing this we have always acted wholly within the spirit and the principles of the United Nations Charter. After all, the United States was the first colony in modern times to gain independence, and so we have an understandable sympathy for those peoples who would do likewise.

Despite this, the Communist propaganda apparatus has tried to depict the United States as the No. 1 colonial power, which is an amazing accusation when you consider the Asian imperial power which now rules colonial territories in the Caucasus in Central Asia and which brings upon such Asian peoples as the Armenians, the Kazakhs, Mongols, and others, poverty and degradation.

When I hear charges like that, that are so absolutely fantastic and fly so completely in the face of truth, I take comfort in the remark that was made recently by no less a figure than Mr. Eden, the Foreign Secretary of the United Kingdom, "No one in the world has been enslaved by the United States." Now we have made mistakes and we are human beings, and we make errors of judgment, but no one in the world has ever been enslaved by the United States and no one in the world ever will be.

Our position in the present situation is not unlike that proclaimed recently at the Colombo conference. The five Prime Ministers attending that conference resolved to preserve in their countries the freedoms inherent in democratic institutions

and to resist interference in their internal affairs from whatever source. Now, the United States is certainly in accord with those principles, which it endeavors to follow.

When you hear some of the statements that have been made here this morning by the representative of the Soviet Union, you wonder whether it is the plan to "liberate"—and I put that word in quotation marks—to "liberate" Hanoi in the way that Estonia, Latvia, Lithuania, Czechoslovakia, Poland, and a great many other places have been liberated.

Gentlemen, this is not the first time that Soviet vetoes have harmed Asia. Soviet vetoes thwarted Security Council action designed to help Indonesia in her newly won freedom. Vetoes exacerbated the Korean conflict. Asian countries, and I mention Japan, Viet-Nam, Laos, Cambodia, Ceylon, and Nepal, have been blocked from United Nations membership by Soviet vetoes.

To these vetoes, directed against the interests of the Asian peoples, must be added today's action, which could, if it were left unchallenged, make it easier for aggression to strike across the borders of Thailand. Thailand, a small Asian country, has acted in a self-respecting manner as a loyal United Nations member. She now comes before us asking for this small measure of protection. The Council's desire to respond to Thailand's appeal is clear. Mr. Tsarapkin's "Nyet" turns Thailand away from the United Nations body which has primary responsibility for the maintenance of peace. She will undoubtedly seek a remedy elsewhere in the United Nations, and she will have our support when she does so.

Gentlemen, let me conclude. What we have tried to do here today is a modest helpful step. It is a merciful effort to try to bind up one of the wounds of the world. In vetoing this attempt today, the Soviet Union has shown that same contempt for the opinions of mankind which has lost them so many friends which they had at the end of World War II. It surpasses even its record of brutal cynicism. This veto has laid bare in a ghastly light the ugly visage of a rule which blandly does not hesitate to egg other peoples on to use war as an instrument of policy to fight the battles of Soviet communism. Thank heaven we can still go on to the Assembly.

U.S. Delegations to International Conferences

U.N. Economic and Social Council

The Department of State announced on June 22 (press release 338) that Preston Hotchkis will be the U.S. representative to the 18th session of the Economic and Social Council of the United Nations which will convene at Geneva on June 29.

July 5, 1954

The other members of the U.S. delegation at the forthcoming session will be as follows:

Deputy U.S. Representative

Walter M. Kotschnig, Director of the Office of United Nations Economic and Social Affairs, Department of State

Advisers

William A. Kimbel, Director of Public Relations, Hi-Q Division, Aerovox Corporation

William R. Biggs, Vice President, Bank of New York and Fifth Avenue Bank

Kathleen Bell, Office of United Nations Economic and Social Affairs, Department of State

Carl P. Blackwell, Director, International Economic Analysis Division, Bureau of Foreign Commerce, Department of Commerce

Kathryn G. Heath, Senior Staff Officer, Office of the Secretary, Department of Health, Education, and Welfare

Joseph C. Hickingbotham, Jr., Special Assistant to the Assistant Secretary for Economic Affairs, Department of State

Nat B. King, Adviser, United States Permanent Mission to the United Nations, New York, N. Y.

Otis E. Mulliken, Office of United Nations Economic and Social Affairs, Department of State

William J. Stibravy, Office of Financial Development Policy, Department of State

George Tobias, Office of Manpower Administration, Department of Labor

Webster B. Todd, Director, Office of Economic Affairs, Office of the United States Representative to the North Atlantic Council and Regional European Organizations, Paris

William H. Wynne, Office of International Finance, Department of the Treasury

The United Nations Economic and Social Council was established in accordance with the Charter of the United Nations to promote higher standards of living, full employment, economic and social progress, international cultural and educational cooperation, and universal respect for and observance of human rights and fundamental freedoms. The 1st session was held at London, England, January-February 1946; the 17th session at New York, March-April, 1954.

The provisional agenda for the 18th session covers a wide variety of topics, including the annual review of the world economic situation, consideration of reports of the functional commissions of the Council and the specialized agencies, the financing of economic development of underdeveloped countries, and technical assistance.

Seventeenth International Conference on Public Education

The Department of State announced on June 23 (press release 339) that the United States will be represented at the Seventeenth International Conference on Public Education, to be convened jointly by the United Nations Educational, Scientific and Cultural Organization and the International Bureau of Education on July 5, 1954 at Geneva, by the following delegation:

Wayne O. Reed, Chairman

Assistant Commissioner, Division of State and Local School System, Office of Education, Department of Health, Education, and Welfare.

Martha A. Shull

English Teacher, Jefferson High School, Portland, Oreg.

The major topics for discussion will be the training and status of secondary teachers. It was pointed out in the invitation that "the study of these questions forms the necessary complement to the subjects dealt with at last year's Conference, which adopted recommendations . . . on the training and status of primary teachers." The Conference will also discuss the reports submitted by Ministries of Education on outstanding developments during the school year 1953-54.

Invitations to participate in the Conference have been extended to 83 member states and 11 international organizations.

Calendar of Meetings

The Calendar of Meetings, which usually appears in the first issue of the BULLETIN for each month, will appear in the July 12 issue.

U.S. Views on Trust Territories

Following are texts of statements made by U.S. representatives in the U.N. Trusteeship Council on June 11 and 17 during discussions of the reports to the Council presented by the administering authorities of Somaliland and Nauru.

STATEMENT ON SOMALILAND¹

U.S./U.N. press release 1920 dated June 11

There are few undertakings which are more important than helping to create new nations. This is particularly true of our responsibilities toward Somaliland, which has been promised independence by 1960. Because of the nearness of this date, the Trusteeship Council has a special duty to think realistically.

Although the problem does not involve the setting of a date for independence, it does concern the rate of progress best suited to the Somali people. The customs of generations cannot be altered overnight. To ask the Somalis to make drastic changes in their way of life at a pace faster than they can accept would retard their progress toward real freedom.

The United States, for its part, wants for everyone the kind of independence which will endure, and we want them to have it with the least possible delay. Our delegation, for example, would like independence for the Somalis tomorrow, if they could sustain it. But unfortunately the present-day world is full of powerful, freedom-destroying forces which stand ready at all times to subvert new nations at first sign of instability. If this is

¹ Made by Mason Sears, U.S. representative in the Council, on June 11.

to be prevented, we think the Somalis are going to need and will be glad to have administrative and economic assistance for some time after 1960.

In this connection my delegation was much impressed by the Somali leaders of the Territorial Council who appeared before us a few days ago. Abdulla Osman and Mohammed Hussen are to be congratulated for the responsible and constructive spirit of their statements. Their long-range views about the future needs of their country were received with real respect.

In the meantime my delegation believes the Italian administrators with the cooperation of the Somali leaders are incorporating progressive measures into the territorial system as fast as circumstances will permit. In our judgment they should be commended for their efforts.

In conclusion we have only one more thing to say. In order to prevent border violence, we earnestly hope the Ethiopian Government will appoint as soon as possible the Ethiopian members of the joint committee to study the boundary dispute between their country and Somaliland.

And for myself, Mr. President, let me say that I am looking forward with great pleasure to visiting Somaliland this coming autumn.

STATEMENT ON NAURU²

U.S./U.N. press release 1922 dated June 17

The Trust Territory of Nauru is by far the smallest of the 11 trust territories under the supervision of the United Nations. This does not mean that the advancement of its people toward the goals of the trusteeship system is of any less concern to the United Nations than that of other territories. At the same time, the fact that we are dealing with a single small island, measured in acres rather than miles, with an indigenous population of only 1,745 people, makes it quite obvious that the advancement of the Nauruans cannot be expected to parallel in all regards that of the larger trust territories, particularly those that can properly aspire to independence.

Although small, Nauru is proportionately rich. It has one valuable natural resource, its phosphate deposits. If a million tons a year of phosphate are extracted, which is approximately the current rate, this resource will last another 65 to 70 years.

This raises the difficult problem of planning for the future of the Nauruans when the deposits are exhausted. It is encouraging to note that the administering authority has begun to plan for this day and that its officials have begun consulting with Nauruans on this matter. My delegation feels that Australia will not relax its efforts to develop, with the cooperation and support of the

² Made by Curtis Strong, member of the U.S. delegation, on June 17.

Nauruans, a detailed plan, or perhaps alternative plans. As the Visiting Mission pointed out, it is difficult to imagine at this stage any plan which would permit the entire Nauru population to remain in the territory after the deposits are exhausted. However, even such a possibility may emerge with continued advances in scientific knowledge during the next half-century. It might become possible for science to develop satisfactory means of livelihood for some of the Nauruans who might wish to remain on their island. On this complex matter, we have no concrete recommendation, except to urge that the administering authority continue to develop plans in the closest consultation with the inhabitants. However, we feel that it should carry on an active program of explanation and persuasion in order to make clear to the Nauruans that the early development of

concrete plans is an act of foresight rather than any pressure on them to leave their homes in the future. We hope, too, that the administering authority will give further consideration to the views of the Visiting Mission with regard to the establishment of a capital fund for settlement.

Meanwhile, Mr. President, my delegation feels sure that, despite the small number of Nauruans, the administering authority will pursue vigorously its policy of training Nauruans for an even greater role in the conduct of their own affairs in the political field, as well as in the economic, social, and educational fields. With this kind of effort, Nauru could become an outstanding demonstration of an administering country and the United Nations working together to help an island people adapt their traditional way of life to modern conditions.

Recommendations Relating to Mutual Security Program

*Message of the President to the Congress*¹

I herewith transmit recommendations relating to the mutual security program which, I am deeply convinced, are essential to the efforts of the United States in the fields of international relations and national defense. These recommendations are the outgrowth of painstaking analyses of present mutual security programs, recent world developments and alternative methods of protecting the nation's interests.

Our mutual security program is based upon the sound premise that there can be no safety for any of us except in cooperative efforts to build and sustain the strength of all free peoples. Above all else communist strategy seeks to divide, to isolate, to weaken. The mutual security program is an important means by which to counter this strategy. It helps us to bolster strength in remote areas which are, nevertheless, vital to our own security. It is mutually advantageous to our own economy and to the economies of the countries to which we give assistance. It meets the communist menace at the front line with practical and effective measures. It serves the ultimate purpose of our foreign policy by expanding the area of hope and freedom, and thus it helps to secure the foundations of a free and peaceful world.

For the new program I urge that the Congress authorize new appropriations to the President in the amount of approximately \$3,500,000,000. This amounts to approximately a 40% reduction in two years. Further reductions in the authorized program at this time, in view of the continuing threat to our national safety, would be unjustified and unsafe. Because the new program is in large measure a continuation of existing programs, its success requires reauthorization for expenditure of funds that are still unexpended.

Measured in terms of functions, about \$2,748.4 million of the \$3.5 billion of new appropriation authority, or 79%, is for programs essentially of a military nature. Of this amount, \$1,580 million is for Mutual Defense Assistance (principally military end-items and training); \$945 million is for Direct Forces Support (primarily for supplies and equipment for forces in Southeast Asia and the western Pacific); and \$223.4 million is for Mutual Defense Support (principally to sustain abnormally large but essential military programs in certain countries). The remainder consists of \$241.3 million for programs in Korea, \$256.4 million for Development Assistance (largely in the Near East and South Asia), \$131.6 million for Technical Cooperation, and \$70.5 million for other programs, including contributions to voluntary programs of the United Nations.

¹ H. Doc. 449, 83d Cong., 2d sess.; transmitted June 23.

Dividing the \$3.5 billion into areas, approximately \$900 million is for Europe, \$570 million for the Near East, Africa and South Asia, \$1,770 million for the Far East and the Pacific, and \$47 million for Latin America. Some \$165 million is requested for non-regional programs.

Today the continued ruthless drive of communist imperialists for world domination places an especially high premium on our maintenance of close relations with friendly nations. We must provide military assistance to some nations, especially to those of strategic military significance which are willing to join in the common defense effort. A major part both of the nearly \$5 billions of expenditures in the current fiscal year and the appropriations authorization requested for the coming year is for programs of a military nature. These amounts are, indeed, substantial. But a common defense system evolved in concert with allies is far less expensive to our people and far more effective for the free world than a defense structure erected only on our soil, consisting only of our forces. Such amounts, moreover, are minuscule compared to the cost of global war which these programs help to prevent.

Recent events in Southeast Asia have created grave uncertainty. The security of that region and the interests of the United States and its allies there are clearly endangered. It is, therefore, critically important that the Congress authorize the appropriation of funds needed to provide military and other assistance to this area and that authority be granted to adjust the use of these funds to rapidly changing conditions.

I also recommend continuance of limited authority to transfer, for use in another geographic area or for a different purpose, funds appropriated for one geographic area or purpose. Other forms of flexibility which proved their value during the past year should also be continued. The United States must be in a position to employ these programs with the utmost speed and precision to accomplish our goals under the swiftly-shifting circumstances of the world.

Our country's participation in Technical Cooperation programs must be vigorously advanced. Certain fundamentals are essential to their success. First, they should provide experts and know-how rather than large amounts of funds or goods, although they should not be allowed to fail due to lack of necessary teaching and demonstration equipment. Second, they should be tightly adjusted to the needs of the host countries. Third, they should be so administered as to reach as many people as possible helping them raise their own standards of living and solve their own problems. Technical Cooperation programs now before the Congress are based on these fundamentals. These programs are our most effective countermeasure to Soviet propaganda and the best method by which to create the political and social stability essential to lasting peace.

Three months ago I advised the Congress that economic assistance on a grant basis should be terminated as swiftly as our national interest would allow. This concept underlies the new programs. In Europe economic assistance is recommended only for a few local programs of especial importance. As rapidly as feasible in our relationships with other countries, these programs are being supplanted by more durable undertakings in the field of mutually profitable private investment and trade. As such trade and investment expands, the need for grant assistance will further diminish. But this expansion takes time and effort. This requires that in strategically located, underdeveloped areas of the world, some grant assistance must be continued for an additional period of time. Such assistance is also needed for certain countries which lack the economic capacity to establish and equip military forces needed for the common defense.

Notwithstanding the continuing need for such grants, we must strive constantly toward relationships with our friends which are more satisfactory, both to them and to us, than grant assistance. This legislation should, therefore, reserve for loans not less than \$100 million of the fiscal year 1955 funds. Such loans would be made where there is reasonable chance of repayment in dollars or in local currencies, and should be extended in a manner that would not substantially impair a country's capacity to borrow from private banking sources, the International Bank for Reconstruction and Development, or the Export-Import Bank. This is a vital step toward the general replacement of grant economic assistance. We shall achieve this goal as quickly as world conditions and our national welfare permit.

In the administration of the mutual security program, agricultural surpluses will be used to strengthen the economies of friendly countries and to contribute in other ways to the accomplishment of our foreign policy objectives. We shall also attempt to use other products of our farms and the output of our industries whenever their use is consistent with the essential objectives of the program, after taking into account such factors as availability, price and quality. In the conduct of these and other mutual security programs a Foreign Operations Administration performs a necessary function and should be continued.

The United States has chosen carefully from among many alternatives in order to chart a sound course in the world.

We have chosen to build defenses with our allies rather than go it alone, because we are convinced that this course is more effective and less costly.

We have chosen to help develop and expand world markets, because we believe that this course will strengthen the economies of all free nations, including our own.

We have chosen to exchange technical knowledge and ideas with our friends, because we believe that course will go far toward countering the effects of communist propaganda, while at the same time promoting peace through improved political and economic stability.

Having embarked upon these courses of action, we shall follow them through. We did not choose the gigantic struggle now endangering the world, but surely this is clear: During periods when the contest is hardest, we must not falter, we must not abandon programs of positive action. Instead, at such a time, we must intensify sensible and positive action.

This program of mutual security is such action; it is one of our most effective, most practical, least costly methods of achieving our international objectives in this age of peril.

I therefore strongly urge enactment of mutual security legislation along the lines I have herein generally outlined.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
June 23, 1954.

Current Legislation on Foreign Policy: 83rd Congress, 2d Session

Report on Operations of Export-Import Bank and the International Bank in Latin American Countries. Report to accompany S. Con. Res. 74. S. Rept. 1221, Apr. 21, 1954. 2 pp.

Examination and Review of the Administration of the Trading with the Enemy Act. Report to accompany S. Res. 227. S. Rept. 1237, Apr. 22, 1954. 2 pp.

Biennial Inspection of Hulls and Boilers of Cargo Vessels. Report to accompany S. 2818. S. Rept. 1272, Apr. 29, 1954. 10 pp.

Communist Action Derogatory to the Rights of Free Men. Report to accompany S. Con. Res. 58, as amended. S. Rept. 1273, Apr. 29, 1954. 3 pp.

Reorganization Plan No. 1 of 1954. Message from the President Transmitting Reorganization Plan No. 1 of 1954, Relating to the Establishment of the Foreign Claims Settlement Commission. H. Doc. 381, Apr. 29, 1954. 5 pp.

Reorganization Plan No. 2 of 1954. Message from the President Transmitting Reorganization Plan No. 2 of 1954, Relating to the Liquidation of Certain Affairs of the Reconstruction Finance Corporation. H. Doc. 382, Apr. 29, 1954. 4 pp.

1953 Annual Report, United States Civil Service Commission. H. Doc. 261, Nov. 16, 1953. 96 pp.

Comptroller General of the United States, 1953 Annual Report. H. Doc. 263. VIII, 124 pp.

Annual Report of the American Historical Association for the Year 1951. Vol. II, Writings on American History, 1949. H. Doc. 267, Vol. II. XI, 636 pp.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Italy—1954. Pub. 5426. European and British Commonwealth Series 46. 16 pp. 15¢.

A background summary of the basic problems, political history and situation, and government reforms in Italy to date, with map.

General Agreement on Tariffs and Trade. TIAS 2747. Pub. 5135. 58 pp. 20¢.

Fourth protocol of rectifications to the agreement of October 30, 1947 between the United States and Other Governments—Signed at Geneva Apr. 3, 1950.

Double Taxation—Taxes on Income. TIAS 2880. Pub. 5351. 14 pp. 10¢.

Convention between the United States and Australia—Signed at Washington May 14, 1953.

United States Air Force Mission to Haiti. TIAS 2807. Pub. 5213. 2 pp. 5¢.

Agreement between the United States and Haiti, extending agreement of January 4, 1949. Exchange of notes—Signed at Washington Jan. 28 and Mar. 2, 1953.

Technical Cooperation. TIAS 2811. Pub. 5226. 3 pp. 5¢.

Agreement between the United States and Pakistan, supplementing agreement of February 9, 1951, as supplemented—Signed at Karachi Mar. 27, 1953.

General Agreement on Tariffs and Trade. TIAS 2831. Pub. 5251. 11 pp. 10¢.

Second protocol of supplementary concessions (Austria and Federal Republic of Germany—Dated at Innsbruck Nov. 22, 1952.

Economic Aid to Spain. TIAS 2851. Pub. 5302. 25 pp. 15¢.

Agreement, with annex containing interpretative notes, between the United States and Spain—Signed at Madrid Sept. 26, 1953.

Consular Offices

The Department of State announced on June 21 (press release 333) that the consulate at Tananarive, Madagascar, is in the process of closing and will cease to perform consular services as of the close of business July 1, 1954. Consular activities formerly performed at Tananarive are to be carried out on an *ad hoc* basis by nearby consulates, primarily Lourenço Marques.

The consulate at Tananarive will be officially closed about August 31, 1954. The exact date will be announced later.

TREATY INFORMATION

Current Actions

MULTILATERAL

Commodities—Wheat

Agreement revising and renewing the International Wheat Agreement of 1949 (TIAS 1957). Dated at Washington April 13, 1953. Entered into force July 15, 1953. TIAS 2799.

Ratification deposited: France, June 8, 1954.

Japan—Status of United Nations Forces

Agreement regarding the status of the United Nations forces in Japan. Signed at Tokyo February 19, 1954.

Entered into force: June 11, 1954 for Japan, the United States of America acting as the Unified Command, Australia, Canada, France, Italy, New Zealand, Philippines, and the United Kingdom.

Narcotic Drugs

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.¹

Ratification deposited: China, May 25, 1954.

Trade and Commerce

Declaration on continued application of schedules to the General Agreement on Tariffs and Trade (TIAS 1700). Done at Geneva October 24, 1953. Entered into force October 24, 1953. TIAS 2886.

¹ Not in force.

Declaration deposited (recognizing signature as binding): Germany, June 15, 1954.

International convention to facilitate the importation of commercial samples and advertising material. Dated at Geneva November 7, 1952.¹

Accession deposited: Finland, May 27, 1954.

BILATERAL

Chile

Agreement extending the provisional agreement of April 9, 1949 (TIAS 2178), as extended, providing customs concessions by Chile on certain automobiles. Effected by exchange of notes at Santiago April 26 and May 10, 1954. Entered into force May 10, 1954.

Germany

Treaty of friendship, commerce and consular rights. Signed at Washington December 8, 1923. TS 725.

Article VI inoperative: June 2, 1954 (notification given by the United States June 2, 1953).

Ireland

Consular convention. Signed at Dublin May 1, 1950. Ratifications exchanged May 13, 1954.

Entered into force: June 12, 1954.

Proclaimed by the President: June 12, 1954.

Supplementary protocol to the consular convention of May 1, 1950. Signed at Dublin March 3, 1952. Ratifications exchanged May 13, 1954.

Entered into force: June 12, 1954.

Proclaimed by the President: June 12, 1954.

Japan

Agreement for the loan of United States naval vessels to Japan. Signed at Tokyo May 14, 1954.

Entered into force: June 5, 1954.

Surinam

Agreement for a cooperative program of economic development pursuant to the general agreement for technical cooperation with the Netherlands of January 22, 1954. Signed at Paramaribo April 29, 1954. Entered into force April 29, 1954.

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Check List of Department of State Press Releases: June 21-27

Releases may be obtained from the News Division, Department of State, Washington 25, D. C.
Press releases issued prior to June 21 which appear in this issue of the BULLETIN are Nos. 328 and 329 of June 18 and 332 of June 19.

No.	Date	Subject
333	6/21	Consulate at Tananarive
*334	6/21	Educational exchange
335	6/21	German postal savings
†336	6/21	Foreign Relations volume
337	6/22	Libyan credentials (rewrite)
338	6/22	Delegation to ECOSOC
339	6/23	Delegation on public education
340	6/23	Employee loyalty
341	6/23	U.S.-Philippine Council
†342	6/23	Assistant Secretary Carpenter
*343	6/23	Gabriel L. Dennis death
*344	6/23	Raymond D. Muir death
345	6/23	German sovereignty
346	6/24	Murphy: The uncommitted world
*347	6/24	Mills nomination
*348	6/25	Educational exchange
349	6/25	Wheat for Libya
*350	6/25	Educational exchange
351	6/26	Note to OAS re Guatemala
†352	6/26	U.S. note re Soviet tanker

*Not printed.

†Held for a later issue of the BULLETIN.



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**1937, Volume II, The British Commonwealth,
Europe, Near East and Africa**

Prominent among the subjects treated in this volume are the efforts of the Department of State to promote more liberal trade policies by discussions looking to the conclusion of reciprocal trade agreements and representations against discriminating practices damaging to American commerce. Secretary of State Cordell Hull conceived his trade agreements program not merely as a means for promoting American business but as one important instrument that would help maintain international peace.

A number of issues tended to strain relations with the Nazi Government of Germany in 1937. Persecution of the Jews continued with additional restrictive measures being applied. Trade relations were unsatisfactory. The German Government made representations against derogatory remarks by Mayor La Guardia of New York about Hitler.

Among many matters of diplomatic concern in the Near East recorded in this volume were the Montreux Conference for the abolition of capitulations in Egypt, the withdrawal of American diplomatic and consular representatives from Ethiopia which was under Italian occupation, the grant of an oil concession by the Iranian Government to the Amiranian Oil Company, proposed abolition of capitulatory rights of the United States in the French Zone of Morocco, and interest of the United States in British proposals for the partition of Palestine between Arabs and Jews.

Copies of this volume may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for \$4.25 each.

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Bulletin

Vol. XXXI, No. 785

July 12, 1954



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The Department of State bulletin

VOL. XXXI, No. 785 • PUBLICATION 5535

July 12, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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International Communism in Guatemala

Address by Secretary Dulles¹

Tonight I should like to talk with you about Guatemala. It is the scene of dramatic events. They expose the evil purpose of the Kremlin to destroy the inter-American system, and they test the ability of the American States to maintain the peaceful integrity of this hemisphere.

For several years international communism has been probing here and there for nesting places in the Americas. It finally chose Guatemala as a spot which it could turn into an official base from which to breed subversion which would extend to other American Republics.

This intrusion of Soviet despotism was, of course, a direct challenge to our Monroe Doctrine, the first and most fundamental of our foreign policies.

It is interesting to recall that the menace which brought that doctrine into being was itself a menace born in Russia. It was the Russian Czar Alexander and his despotic allies in Europe who, early in the last century, sought control of South America and the western part of North America. In 1823 President Monroe confronted this challenge with his declaration that the European despots could not "extend their political system to any portion of either continent without endangering our peace and happiness. We would not," he said, "behold such interposition in any form with indifference."

These sentiments were shared by the other American Republics, and they were molded into a foreign policy of us all. For 131 years that policy has well served the peace and security of this hemisphere. It serves us well today.

In Guatemala, international communism had an initial success. It began 10 years ago, when a revolution occurred in Guatemala. The revolution was not without justification. But the Communists seized on it, not as an opportunity for real reforms, but as a chance to gain political power.

Communist agitators devoted themselves to infiltrating the public and private organizations of Guatemala. They sent recruits to Russia and other Communist countries for revolutionary training and indoctrination in such institutions as the Lenin School at Moscow. Operating in the guise of "reformers" they organized the workers and peasants under Communist leadership. Having gained control of what they call "mass organizations," they moved on to take over the official press and radio of the Guatemalan Government. They dominated the social security organization and ran the agrarian reform program. Through the technique of the "popular front" they dictated to the Congress and the President.

The judiciary made one valiant attempt to protect its integrity and independence. But the Communists, using their control of the legislative body, caused the Supreme Court to be dissolved when it refused to give approval to a Communist-contrived law. Arbenz, who until this week was President of Guatemala, was openly manipulated by the leaders of communism.

Guatemala is a small country. But its power, standing alone, is not a measure of the threat. The master plan of international communism is to gain a solid political base in this hemisphere, a base that can be used to extend Communist penetration to the other peoples of the other American Governments. It was not the power of the Arbenz government that concerned us but the power behind it.

If world communism captures any American State, however small, a new and perilous front is established which will increase the danger to the entire free world and require even greater sacrifices from the American people.

The Declaration at Caracas

This situation in Guatemala had become so dangerous that the American States could not ignore it. At Caracas last March the American States held their Tenth Inter-American Conference.

¹Delivered to the Nation over radio and television on June 30 (press release 357).

They then adopted a momentous statement. They declared that "the domination or control of the political institutions of any American State by the international Communist movement . . . would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America."²

There was only one American State that voted against this declaration. That State was Guatemala.

This Caracas declaration precipitated a dramatic chain of events. From their European base the Communist leaders moved rapidly to build up the military power of their agents in Guatemala. In May a large shipment of arms moved from behind the Iron Curtain into Guatemala.³ The shipment was sought to be secreted by false manifests and false clearances. Its ostensible destination was changed three times while en route.

At the same time, the agents of international communism in Guatemala intensified efforts to penetrate and subvert the neighboring Central American States. They attempted political assassinations and political strikes. They used consular agents for political warfare.

Many Guatemalan people protested against their being used by Communist dictatorship to serve the Communists' lust for power. The response was mass arrests, the suppression of constitutional guaranties, the killing of opposition leaders, and other brutal tactics normally employed by communism to secure the consolidation of its power.

In the face of these events and in accordance with the spirit of the Caracas declaration, the nations of this hemisphere laid further plans to grapple with the danger. The Arbenz government responded with an effort to disrupt the inter-American system. Because it enjoyed the full support of Soviet Russia, which is on the Security Council, it tried to bring the matter before the Security Council. It did so without first referring the matter to the American regional organization as is called for both by the United Nations Charter itself and by the treaty creating the American organization.

The Foreign Minister of Guatemala openly connived in this matter with the Foreign Minister of the Soviet Union. The two were in open correspondence and ill-concealed privity. The Security Council at first voted overwhelmingly to refer the Guatemala matter to the Organization of American States. The vote was 10 to 1. But that one negative vote was a Soviet veto.

Then the Guatemalan Government, with Soviet backing, redoubled its efforts to supplant the

American States system by Security Council jurisdiction.

However, last Friday, the United Nations Security Council decided not to take up the Guatemalan matter but to leave it in the first instance to the American States themselves.⁴ That was a triumph for the system of balance between regional organization and world organization, which the American States had fought for when the charter was drawn up at San Francisco.

The American States then moved promptly to deal with the situation. Their peace commission left yesterday for Guatemala. Earlier the Organization of American States had voted overwhelmingly to call a meeting of their Foreign Ministers to consider the penetration of international communism in Guatemala and the measures required to eliminate it. Never before has there been so clear a call uttered with such a sense of urgency and strong resolve.

Attempt To Obscure Issue

Throughout the period I have outlined, the Guatemalan Government and Communist agents throughout the world have persistently attempted to obscure the real issue—that of Communist imperialism—by claiming that the United States is only interested in protecting American business. We regret that there have been disputes between the Guatemalan Government and the United Fruit Company. We have urged repeatedly that these disputes be submitted for settlement to an international tribunal or to international arbitration. That is the way to dispose of problems of this sort. But this issue is relatively unimportant. All who know the temper of the U.S. people and Government must realize that our overriding concern is that which, with others, we recorded at Caracas, namely, the endangering by international communism of the peace and security of this hemisphere.

The people of Guatemala have now been heard from. Despite the armaments piled up by the Arbenz government, it was unable to enlist the spiritual cooperation of the people.

Led by Colonel Castillo Armas, patriots arose in Guatemala to challenge the Communist leadership—and to change it. Thus, the situation is being cured by the Guatemalans themselves.

Last Sunday, President Arbenz of Guatemala resigned and seeks asylum. Others are following his example.

Tonight, just as I speak, Colonel Castillo Armas is in conference in El Salvador with Colonel Monzon, the head of the Council which has taken over the power in Guatemala City. It was this power that the just wrath of the Guatemalan people wrested from President Arbenz, who then took flight.

⁴ For text of U.S. statement in the Security Council on June 25, see *ibid.*, July 5, 1954, p. 29.

² For text of "Declaration of Solidarity for the Preservation of the Political Integrity of the American States Against International Communist Intervention," see *BULLETIN* of Apr. 26, 1954, p. 638.

³ For a statement by Secretary Dulles on the arms shipment, see *ibid.*, June 7, 1954, p. 873.

Now the future of Guatemala lies at the disposal of the Guatemalan people themselves. It lies also at the disposal of leaders loyal to Guatemala who have not treasonably become the agents of an alien despotism which sought to use Guatemala for its own evil ends.

The events of recent months and days add a new and glorious chapter to the already great tradition of the American States.

Each one of the American States has cause for profound gratitude. We can all be grateful that we showed at Caracas an impressive solidarity in support of our American institutions. I may add that we are prepared to do so again at the conference called for Rio. Advance knowledge of that solidarity undoubtedly shook the Guatemalan Government.

We can be grateful that the Organization of American States showed that it could act quickly and vigorously in aid of peace. There was proof that our American organization is not just a paper organization, but that it has vigor and vitality to act.

We can be grateful to the United Nations Security Council, which recognized the right of regional organizations in the first instance to order their own affairs. Otherwise the Soviet Russians would have started a controversy which would

have set regionalism against universality and gravely wounded both.

Above all, we can be grateful that there were loyal citizens of Guatemala who, in the face of terrorism and violence and against what seemed insuperable odds, had the courage and the will to eliminate the traitorous tools of foreign despots.

The need for vigilance is not past. Communism is still a menace everywhere. But the people of the United States and of the other American Republics can feel tonight that at least one grave danger has been averted. Also an example is set which promises increased security for the future. The ambitious and unscrupulous will be less prone to feel that communism is the wave of their future.

In conclusion, let me assure the people of Guatemala. As peace and freedom are restored to that sister Republic, the Government of the United States will continue to support the just aspirations of the Guatemalan people. A prosperous and progressive Guatemala is vital to a healthy hemisphere. The United States pledges itself not merely to political opposition to communism but to help to alleviate conditions in Guatemala and elsewhere which might afford communism an opportunity to spread its tentacles throughout the hemisphere. Thus we shall seek in positive ways to make our Americas an example which will inspire men everywhere.

The Guatemalan Problem Before the OAS Council

Statement by John C. Dreier

U.S. Representative to the Council of the Organization of American States¹

I speak today as the representative of one of 10 American countries who have joined in a request that a Meeting of Ministers of Foreign Affairs be convoked to act as Organ of Consultation under articles 6 and 11 of the Inter-American Treaty of Reciprocal Assistance.² On behalf of the United States I wish to support this request with all the force and conviction that I can express, feeling profoundly as I and my countrymen do that this is a critical hour in which a strong and positive note of inter-American solidarity must be sounded.

The Republics of America are faced at this time with a serious threat to their peace and independence. Throughout the world the aggressive forces

of Soviet Communist imperialism are exerting a relentless pressure upon all free nations. Since 1939, 15 once free nations have fallen prey to the forces directed by the Kremlin. Hundreds of millions of people in Europe and Asia have been pressed into the slavery of the Communist totalitarian state. Subversion, civil violence, and open warfare are the proven methods of this aggressive force in its ruthless striving for world domination.

Following World War II, in which millions of men died to free the world from totalitarianism, the forces of Communist imperialism took on a freshly aggressive aspect. The first objectives of this new drive for domination were the countries of Eastern Europe and the Balkans. Efforts to overcome Greece and Iran failed because of the heroic resistance of peoples whose courage not only gave them strength to defend their independence

¹ Made before the Council at Washington, D. C., on June 28 (press release 353).

² For text of the request, see BULLETIN of July 5, 1954, p. 31.

but also brought them the moral and material support of other countries directly and through international organizations.

Communist forces then turned their attention to Asia. Following the fall of China came the stark aggression of the Korean war where once more the united forces of the free world, acting through the United Nations, stemmed the tide of Soviet Communist imperialism.

More recently, we have seen the combination of Communist subversion and political power, backed with weapons from the Communist arsenal, strike deep into Southeast Asia and threaten to engulf another populous area of the world as it emerges from colonialism.

And now comes the attack on America.

Until very recently we of the Americas, here in our continental bastion, have felt ourselves relatively far from the field of open conflict. To be sure, in all our countries the international Communist organization has for some time undertaken its insidious work of attempting to undermine our institutions and to achieve positions of influence in public and private organizations. But only within the last few years has there been evidence of a real success on the part of the international Communist organization in carrying to this hemisphere the plagues of internal strife, and subversion to a foreign imperialism, which had previously been inflicted upon other areas of the world. That success marks the problem for which the treaty of Rio de Janeiro is now invoked as a measure of continental defense.

Mr. Chairman, this is not the time and place in which to enter into a discussion of the substance of the problem which will be placed before the Organ of Consultation when it meets. At this time it is the function of the Council merely to consider the validity of the request that the Organ of Consultation be convoked.

In support of the request for a meeting, I should like to cite briefly the following compelling arguments.

Anti-Communist Declarations

First, the American Republics have several times during recent years clearly and unequivocally stated their opposition to the objectives and methods of the international Communist movement which, by its very nature, is incompatible with the high principles that govern the international relations of the American States. This viewpoint was clearly enunciated at the Ninth Inter-American Conference, which in Resolution 32 declared that by its antidemocratic nature and its interventionist tendency the political activity of international communism was incompatible with the concept of American freedom. This thought was echoed at the Fourth Meeting of Foreign Ministers which, furthermore, pointed out that the subversive action of international communism recognized

no frontiers and called for a high degree of international cooperation among the American Republics against the danger which such actions represented.

Only a few months ago at Caracas the American States expressed their determination to take the necessary measures to protect their political independence against the intervention of international communism, and declared that the domination or control of the political institutions of any American State by the international Communist movement would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America.

There is no doubt, Mr. Chairman, that it is the declared policy of the American States that the establishment of a government dominated by the international Communist movement in America would constitute a grave danger to all our American Republics and that steps must be taken to prevent any such eventuality.

Communist Penetration in Guatemala

Second, I should like to affirm the fact that there is already abundant evidence that the international Communist movement has achieved an extensive penetration of the political institutions of one American State, namely the Republic of Guatemala, and now seeks to exploit that country for its own ends. This assertion, which my Government is prepared to support with convincing detail at the right time, is clearly warranted by the open opposition of the Guatemalan Government to any form of inter-American action that might check or restrain the progress of the international Communist movement in this continent; by the open association of that Government with the policies and objectives of the Soviet Union in international affairs; by the evidences of close collaboration of the authorities in Guatemala and authorities in Soviet dominated states of Europe for the purpose of obtaining under secret and illegal arrangements the large shipment of arms which arrived on board the *M/S Alphem* on May 15, 1954; by the efforts of Guatemala in the United Nations Security Council, in collaboration with the Soviet Union, to prevent the Organization of American States, the appropriate regional organization, from dealing with her recent allegations of aggression, and finally by the vigorous and sustained propaganda campaign of the Soviet press and radio, echoed by the international Communist propaganda machine throughout the world in support of Guatemalan action in the present crisis.

The recent outbreak of violence in Guatemala adds a further sense of urgency to the matter. We well know from experience in other areas into which the international Communist movement has penetrated the tragic proportions to which this inevitable violent conflict may ultimately extend.

The above facts, Mr. Chairman, I submit, are more than enough to demonstrate the need for a prompt meeting of the Organ of Consultation as has been proposed in the note which was read at this meeting today.

Within the last 24 hours it appears that there has been a change in the Government of Guatemala. It is not possible, however, in the opinion of my Government, to arrive at any considered judgment of how this change may affect the problem with which we are concerned. Under the circumstances, it would appear to be essential that we do not relax our efforts at this moment, but proceed with our plans in order to be ready for any eventuality. At the same time, we should of course all watch developments in Guatemala carefully and be prepared subsequently to take whatever steps may prove necessary in the light of future events.

I should like to emphasize the fact that the object of our concern, and the force against which we must take defensive measures, is an alien, non-American force. It is the international Communist organization controlled in the Kremlin which has created the present danger. That it is rapidly making a victim of one American State increases our concern for that country and our determination to unite in a defense of all 21 of our American nations. We are confident that the international Communist movement holds no real appeal for the peoples of America and can only subdue them if allowed to pursue its violent and deceitful methods unchecked. Having read the tragic history of other nations seduced by Communist promises into a slavery from which they later could not escape, we wish to leave no stone unturned, no effort unexerted, to prevent the complete subordination of one of our member states to Soviet Communist imperialism. For when one State has fallen, history shows that another will soon come under attack.

Now, Mr. Chairman, in the Americas we have established ways for dealing with these problems that affect the common safety. We are pledged to maintain continental peace and security through our solidarity expressed in consultation and joint effort. In the Inter-American Treaty of Reciprocal Assistance we have the vehicle through which we can merge our individual efforts in order to take the measures necessary for the maintenance of continental peace and security. The meeting of the Organ of Consultation which we request here today is in fulfillment of the principles and procedures which the American Republics have laid down for dealing with threats to their independence, sovereignty, and peace. If that system of international relations of which the peoples of this hemisphere are so rightfully proud is to endure, it must resolutely meet the challenge which Soviet Communist imperialism has now thrown down to it.

If we take a valiant course and courageously

face the danger which menaces us we will again prove, as America has proved in the past, the power of our united will. That, I am sure, we shall do because of what is at stake. There hang in the balance not only the security of this continent but the continued vitality and existence of the Organization of American States and the high principles upon which it is founded. In our decisions at this hour we may well profoundly affect the future of our American way of life.

Mr. Chairman, I urge that this Council promptly approve the proposal that the Organ of Consultation be invoked; that the date be set as of July 7 next; and that the decision be taken here and now so that the entire world may be given evidence of our determination to act effectively in the present crisis.³

Brazil Makes Final Payment on Lend Lease Obligation

Press releases 358, 359 dated July 1

Ambassador João Carlos Muniz of Brazil on July 1 presented a check for \$5 million to Secretary Dulles. This represents the final payment by the Government of Brazil on its lend-lease obligation.

Besides the Secretary and Ambassador Muniz, those present at the ceremony in the Secretary's office were Mario da Camara, Financial Counselor of the Brazilian Embassy; Henry F. Holland, Assistant Secretary for Inter-American Affairs; Samuel C. Waugh, Assistant Secretary for Economic Affairs; and Charles W. Kempter of the Department of State's Lend Lease and Surplus Property Staff.

The lend-lease material was supplied to Brazil during the last war to meet the serious threat of an enemy invasion of the Western Hemisphere and to support Brazil's military effort as an active ally. Brazilian-United States cooperation in this period represented exceptionally close and effective relations between the two countries.

Brazil has paid each installment on her lend-lease obligation regularly and in full.

Following are the texts of remarks made at the ceremony on July 1:

Statement by Ambassador Muniz

This official act has a significance deeper than that of the mere delivery of a check in payment of the terminal installment of lend-lease between our two countries. It brings to our mind the recollec-

³ The Council voted on June 28 to convoke a Meeting of Ministers of Foreign Affairs at Rio de Janeiro on July 7.

Following the cease-fire in Guatemala on June 29 and the reaching of a settlement on July 1, the Council on July 2 approved a U.S. proposal that the Meeting of Foreign Ministers be postponed.

tion of days not long past, when our peoples stood and fought side by side, in defense of ideals and principles which we hold to be fundamental to our conception of life and civilization.

It is fitting, therefore, that we should pause and consider today that memorable phase in the history of our countries, in which the United States and Brazil joined their military forces for the preservation of freedom. This reflection is all the more important because the struggle for freedom is still going on and the menace of world enslavement, though in another form, is as great today as it was when the soldiers of our countries faced together the perils of the battlefield.

In the midst of the staggering difficulties of our times, it is a source of strength and relief to know that the friendship that unites our two countries, and which derives inspiration from the same ideals, is being rendered still closer by the practice of daily cooperation in so many sectors of our activities.

Lend lease, the material part of which terminates today, remains a symbol of solidarity between our two peoples.

Statement by Secretary Dulles

Mr. Ambassador, it is a very special honor for me to receive this note and check from the great Republic of Brazil not alone for its monetary value but for its significance as another of the many evidences of the honor which Brazil gives to her international obligations.

This final payment of \$5 million, which closes the account known as the Brazilian Lend-Lease Settlement Arrangement, ends an outstanding chapter in the long history of loyal cooperation between the United States and Brazil.

The mutual aid principles of lend-lease were successfully applied by our two Governments against the threats of an enemy invasion of our Western Hemisphere in World War II.

The world knows of the proud and valiant campaign waged by the soldiers and aviators of the Brazilian Expeditionary Force in the Mediterranean war theater. Their bravery and valor are recorded on the pages of history, and certainly the memory of those men of Brazil will remain enshrined in the hearts of both our nations.

Then there was the Brazilian Navy. The rapidly growing sea power of Brazil, both in col-

laboration with our own South Atlantic Fleet and acting independently, kept open strategic sea lanes for commerce in the vast waters from the Caribbean southward. The vigilance, preparedness, and ability of the officers and crews of the Brazilian Navy is a proud record.

The cost of victory to Brazil—as to the United States—was not small, but over the postwar years Brazil has fulfilled each term of her commitments unflinchingly. Now, today, in what must be a soul-satisfying conclusion, Brazil writes yet another honorable chapter in her history.

However, even before we fully emerged from the shadows of the conflict, our world passed into a new and demanding era, with Soviet imperialism seeking implacably first to divide and then to conquer the free nations. As we face today's crucial world problems, we know that adherence to our common democratic ideals, with mutual trust and respect between our two nations, is imperative. I am confident that we will always be found standing side by side with the strength and determination to defend and hold firm to our cherished principles of freedom and democracy.

Outbreak of Violence in Jerusalem

Press release 363 dated July 2

The following message was sent by the U.S. Government to the Governments of Jordan and Israel on July 1:

The United States Government has been informed that widespread heavy firing broke out in Jerusalem on June 30 and has since continued intermittently, reportedly having been resumed even after an agreement on cease fire was reached at a meeting of the Israel-Jordan Mixed Armistice Commission on July 1. The United States Government deplores this serious outbreak of violence in the Holy City, with its attendant loss of life, and urges the Government of (Jordan) (Israel) to take immediate steps to insure the observance of the cease fire. The United States Government is transmitting an identical request to the Government of (Israel) (Jordan).

The U.S. Government earnestly hopes that the two Governments concerned will cooperate wholeheartedly with General Vagn Bennike, Chief of Staff of the U.N. Truce Supervision Organization, in his efforts to terminate this serious clash.

Anglo-American Discussions on International Situation

British Prime Minister Sir Winston Churchill and Foreign Secretary Anthony Eden were in Washington June 25-29 for discussions with President Eisenhower and Secretary Dulles. Following are the texts of joint statements issued by the President and the Prime Minister.

STATEMENT OF JUNE 28

White House press release

At the end of their meetings today, the President and the Prime Minister issued the following statement:

In these few days of friendly and fruitful conversations, we have considered various subjects of mutual and world interest.

I. Western Europe

We are agreed that the German Federal Republic should take its place as an equal partner in the community of Western nations, where it can make its proper contribution to the defense of the free world. We are determined to achieve this goal, convinced that the Bonn and Paris Treaties provide the best way. We welcome the recent statement by the French Prime Minister that an end must be put to the present uncertainties.

The European Defense Community Treaty has been ratified by four of the six signatory nations, after exhaustive debates over a period of more than two years. Naturally these nations are unwilling to disregard their previous legislative approvals or to reopen these complex questions.

In connection with these treaties, the United States and the United Kingdom have given important assurances, including the disposition of their armed forces in Europe, in order to demonstrate their confidence in the North Atlantic Community and in the EDC and the Bonn Treaties.¹

It is our conviction that further delay in the entry into force of the EDC and Bonn Treaties would damage the solidarity of the Atlantic nations.

We wish to reaffirm that the program for European unity inspired by France, of which the EDC is only one element, so promising to peace and prosperity in Europe, continues to have our firm support.

II. Southeast Asia

We discussed Southeast Asia and, in particular, examined the situation which would arise from the

conclusion of an agreement on Indochina. We also considered the situation which would follow from failure to reach such an agreement.

We will press forward with plans for collective defense to meet either eventuality.

We are both convinced that if at Geneva the French Government is confronted with demands which prevent an acceptable agreement regarding Indochina, the international situation will be seriously aggravated.

III. Atomic Matters

We also discussed technical cooperation on atomic energy. We agreed that both our countries would benefit from such cooperation to the fullest extent allowed by U.S. legislation.

IV

In addition to these specific matters, we discussed the basic principles underlying the policy of our two countries. An agreed declaration setting forth certain of these will be made available tomorrow.

DECLARATION OF JUNE 29

White House press release

As we terminate our conversations on subjects of mutual and world interest, we again declare that:

(1) In intimate comradeship, we will continue our united efforts to secure world peace based upon the principles of the Atlantic Charter, which we reaffirm.

(2) We, together and individually, continue to hold out the hand of friendship to any and all nations, which by solemn pledge and confirming deeds show themselves desirous of participating in a just and fair peace.

(3) We uphold the principle of self-government and will earnestly strive by every peaceful means to secure the independence of all countries whose peoples desire and are capable of sustaining an independent existence. We welcome the processes of development, where still needed, that lead toward that goal. As regards formerly sovereign states now in bondage, we will not be a party to any arrangement or treaty which would confirm or prolong their unwilling subordination. In the case of nations now divided against their will, we shall continue to seek to achieve unity through free elections supervised by the United Nations to insure they are conducted fairly.

(4) We believe that the cause of world peace would be advanced by general and drastic reduction under effective safeguards of world armaments of all classes and kinds. It will be our per-

¹ BULLETIN of Apr. 26, 1954, p. 619.

severing resolve to promote conditions in which the prodigious nuclear forces now in human hands can be used to enrich and not to destroy mankind.

(5) We will continue our support of the United Nations and of existing international organizations that have been established in the spirit of the Charter for common protection and security. We urge the establishment and maintenance of such associations of appropriate nations as will best, in their respective regions, preserve the peace and the independence of the peoples living there. When desired by the peoples of the affected countries we are ready to render appropriate and feasible assistance to such associations.

(6) We shall, with our friends, develop and maintain the spiritual, economic and military strength necessary to pursue these purposes effectively. In pursuit of this purpose we will seek every means of promoting the fuller and freer interchange among us of goods and services which will benefit all participants.

Dwight D. Eisenhower

Winston S. Churchill

Meeting of Representatives of ANZUS Governments

The presence in Washington of Richard G. Casey, Australian Minister for External Affairs, who was returning to Australia from the Geneva Conference, made possible the holding on June 30 of an informal consultative meeting of representatives of the signatories to the ANZUS treaty. Secretary Dulles represented the United States, and Ambassador Leslie Knox Munro represented New Zealand. Following is the text of a statement issued after the meeting:

Press release 356 dated June 30

Today's ANZUS meeting was one in the continuing series of such meetings providing close consultation among Australia, New Zealand, and the United States, the three signatories to the ANZUS treaty.

The situation in Southeast Asia was discussed in the light of current developments, including the talks just concluded in Washington between the United Kingdom and the United States.

The Australian and New Zealand representatives expressed satisfaction with the statement by President Eisenhower and Sir Winston Churchill

that plans for collective defense in Southeast Asia should be pressed forward. They also shared the conviction expressed that, if at Geneva the French Government is confronted with demands which prevent an acceptable agreement regarding Indochina, the international situation will be seriously aggravated.

All three representatives at the ANZUS meeting agreed on the need for immediate action to bring about the early establishment of collective defense in Southeast Asia—an area in which the three participating countries are all vitally concerned.

U.S. and Canada To Discuss Development of Seaway

Following are the texts of notes exchanged by the U.S. Ambassador at Ottawa, R. Douglas Stuart, and the Canadian Secretary of State for External Affairs, Lester B. Pearson.

U.S. NOTE OF JUNE 7

SIR: I have the honor of conveying to your Government a copy of an Act of Congress signed by the President on May 13, 1954 (Public Law 358, 83rd Congress, Second Session) creating the St. Lawrence Seaway Development Corporation which, under certain conditions, is authorized and directed to construct in United States territory a portion of the St. Lawrence Seaway. The Corporation is to be headed by an Administrator appointed by the President by and with the advice and consent of the Senate; it is directed to undertake certain negotiations with the St. Lawrence Seaway Authority of Canada or, in the case of tolls, "such other agency as may be designated by the Government of Canada" and to construct, operate and maintain certain navigation works in coordination with the St. Lawrence Seaway Authority of Canada. The Act specifies that the navigation works in United States territory shall be "substantially in accordance with" the plan set forth in the joint report of January 3, 1941 by the Canadian Temporary Great Lakes-St. Lawrence Basin Advisory Committee and the United States St. Lawrence Advisory Committee to the President of the United States and the Prime Minister of Canada.

Because the Act of Congress cited above confers specific powers on the Governmental Corporation which would carry out the work on the United States side, it is from the point of view of the United States desirable if not essential that representatives of this Corporation participate in negotiations related to the construction of the Seaway.

I have therefore been requested to suggest that, as soon as may be convenient after the initial organization of the St. Lawrence Seaway Development Corporation, detailed discussions take place between representatives of the two Governments on the planning and execution of the Seaway development in both countries. I should appreciate receiving your comments on the proposed procedure and, in order to expedite negotiations, I should be glad to receive a list of the specific topics which, in the opinion of the Canadian Government, might be covered in such negotiations. Accept, Sir, the renewed assurances of my highest consideration.

CANADIAN REPLY OF JUNE 16

EXCELLENCY, I have the honour to thank you for having sent me, under cover of Note No. 281 of June 7, 1954, a copy of the Act of Congress creating the St. Lawrence Development Corporation, which, under certain conditions, is authorized to construct in United States territory a portion of the St. Lawrence Seaway. In that Note you suggested that detailed discussions take place between representatives of the two governments on the planning and execution of the seaway development in both countries.

You will recall that our two governments made arrangements, embodied in an Exchange of Notes dated June 30, 1952,¹ for the construction by Canada of works to allow uninterrupted 27-foot navigation between Lake Erie and the port of Montreal and that the Canadian undertaking to provide this portion of the seaway was predicated on the construction and maintenance by suitable entities in Canada and the United States of a sound power project in the International Rapids Section. Since these arrangements were made, both governments have worked closely together and it now appears that, due in a large measure to your government's active and unfailing attention in seeking to remove obstacles in the United States which would delay the construction of the power project, this phase of the project is likely to be started in the near future. The Canadian Government assumes that the suggestion for discussions contained in your Note is made with a view to reexamining the arrangements for the construction of the seaway now existing between our governments and confirmed in the Notes exchanged on June 30, 1952.

The Government of Canada is prepared to discuss this matter provided, as indicated in the Prime Minister's memorandum of January 9, 1953, to your predecessor, and in the Prime Minister's statement in the House of Commons on May 6, 1954, that such discussions do not seriously delay construction of either the power project or the seaway.

In order to expedite matters, I suggest that it might be appropriate to hold in Ottawa during the week of June 28, 1954, meetings of officials from the United States and Canada who might prepare a list of specific topics which might form the basis for subsequent inter-governmental discussions.

Accept, Excellency, the renewed assurances of my highest consideration.

U.S. Rejects Soviet Charges of Interference With Tanker

Text of U.S. Note of June 26

Press release 352 dated June 26

Following is the text of a note delivered on June 26 by the U.S. Embassy at Moscow to the Soviet Ministry of Foreign Affairs:

The United States Government refers to the Soviet Government's note of June 24 regarding interception of the Soviet tanker *Taupse* by a war vessel of the destroyer type in Far Eastern waters.

The United States Government rejects as completely without foundation the allegations made by the Soviet Government that Naval Forces of the United States have seized or otherwise interfered with the movement of the Soviet tanker in question.

Soviet Note of June 24

The Soviet Government considers it necessary to state the following to the Government of the U.S.A.

On June 23, 1954 at 4 o'clock local time, the Soviet tanker *Taupse* of the Black Sea Merchant Fleet, proceeding with a cargo of illuminating kerosene in the open sea south of the Island of Taiwan, was stopped by a war vessel of the destroyer type at a spot with coordinates 19 degrees 55 minutes north latitude and 120 degrees 23 minutes east longitude and under threat of the use of arms was forced to change course and to follow after this war vessel. Following receipt of a communication from the captain of the tanker concerning the attack of an armed vessel of the destroyer type, radio communication with the tanker was disrupted. The further fate of the Soviet ship and its crew is unknown.

It is entirely obvious that seizure of a Soviet tanker by a war vessel in waters controlled by the U.S. naval fleet could be carried out only by naval forces of the U.S.

The Soviet Government expects that in connection with this attack on a Soviet merchant vessel in the open sea the Government of the U.S. will take measures for the immediate return of the ship, its cargo, and crew. At the same time the Soviet Government insists on the severe punishment of the responsible American personnel who took part in the organization of this illegal act and on the adoption of measures which would exclude the possibility of repetition of similar acts which grossly violate the freedom of navigation in the open sea.

The Soviet Government considers it essential to state that it cannot overlook such impermissible acts and will be forced to take appropriate measures to guarantee the safety of navigation of Soviet merchant vessels in this region.

¹ BULLETIN of July 14, 1952, p. 65.

The Tasks and Accomplishments of the Free World

by James B. Conant

United States High Commissioner for Germany¹

The fact that the Kiel festival week is again being celebrated shows us the progress reconstruction has made in Germany. For I like to consider this week, devoted to sailboat races and art, as a symptom of political, economic, and spiritual recovery. You know that almost the entire world is talking of the miracle of German recovery and in that connection, quite properly, praises German industriousness as one of the reasons for the rapid rehabilitation. With all due admiration for German industriousness, however, I should like to make a somewhat heretical remark. I personally am glad not only because the Germans can work hard; I am just as glad because they know how to hold festivals and devote themselves to such a fine pleasure as the artistic sport of sailing.

Perhaps my predilection is due to the fact that I myself grew up on a coast and spent many a happy childhood hour in a small sailing boat. I feel here as if transported back to my own youth. I have already mentioned that a large number of foreign diplomats have come from Bonn to Kiel at the invitation of the German Federal Government. One almost has the impression that for the duration of the Kiel regatta the Federal capital is not on the Rhine but on the Kiel Canal. To be sure, I cannot tell whether all the foreign representatives from Bonn have come, for the diplomatic corps is after all a very large group.

As you know, many different nations are today represented in Bonn: large and small countries; the neighbors of the German Federal Republic and the antipodes; industrial states and predominantly agricultural states; countries with a culture older than the European, such as India, Pakistan, and Egypt, for example; pioneer states such as the U. S. A., Canada, and Australia; Christian, Mohammedan, Buddhist, and Shintoist nations.

¹Excerpts from an address delivered in German at Kiel, Germany, on June 22.

However different these nations represented in Bonn may be, they have one decisive characteristic in common: They all belong to the free world. The fact that there are also other nations which are not represented in Bonn reminds us constantly of the difficult problems with which our era has to contend. And with that, I have come to the real subject of my speech, the tasks and accomplishments of the free world.

Origins of Communist Dogma

Marx and Engels knew from their own experience the first effects of the industrial revolution in England—and these effects were often shocking. Naturally, a man of the twentieth century would also find the life of a peasant a hundred years ago rather unpleasant, but that does not alter the fact that the life of a factory worker in the early period of the industrial revolution, compared with the life of a factory worker in our day, was inhumanly hard. Marx was convinced that in a capitalistic society the life of an industrial worker must always remain equally unendurable—in fact, it must even grow constantly worse. The history of the last hundred years has refuted Karl Marx. It is an irony of fate that precisely in our time, when his predictions proved to be false, Karl Marx was elevated by his followers to the status of an allegedly infallible prophet of a fanatical sect.

You all know how in the twentieth century the Soviet Russians have misused their own interpretation of the Marxist dogma that arose in the nineteenth century to establish a terrible tyranny in Russia and subjugate a large number of unfortunate neighboring states. After the Soviet seizure of power this dogma was declared a state religion, so to speak. I should like to suggest that you take a look some time at the list of books prescribed at the Communist-dominated Humboldt University in East Berlin. What the student in the East learns about politics, economics, his

ory, and philosophy comes either from the writings of Marx and Engels or from the writings of the official Soviet Russian interpreters of the Marxist dogma, that is, Lenin and Stalin. The student is to be given the impression that, except for these four patron saints of the Soviet tyranny and a couple of thinkers from the Soviet Zone, such as Messrs. Pieck and Ulbricht, no man has even said anything of importance about human society.

This grotesque mixture of antiquated Marxist dogma and even much more antiquated Russian pipe dreams which is forced on the student in the East is ultimately based (as I want to emphasize here again) on the completely outmoded analysis of human society which Marx originated a hundred years ago under the influence of the upheavals of the industrial revolution. Although the Communist Party likes to call itself a progressive party, it nevertheless reveres a dogma which any objective observer recognizes as long since refuted by the course of history.

The Marxist attitude toward natural science, for example, is the attitude of a generation which saw in the teaching of the conservation of energy and the atom theory the ultimate truths about the nature of the world. This generation, of course, did not as yet have any inkling of Einstein's theory of relativity, Planck's quantum theory, or modern nuclear physics. The Marxist attitude toward economics is the attitude of a generation which did not yet know how greatly the general standard of living, hence also that of the industrial worker, can be raised. After all, no person could imagine a hundred years ago what the life of a worker in present-day America, for example, would be like—a worker who drives his own car, who works only 40 hours a week, and whose children study at a university. Where free discussion is possible and where the initial difficulties of the industrial revolution have been overcome, today's version of the Marxist-Leninist dogma has little power of attraction. Think, for example, of the nonsense which Molotov brought up at the Berlin Conference about allegedly free elections. Molotov insisted that a genuinely democratic government and genuinely free elections were found only where one party alone is permitted. Now, only few persons outside the Russian sphere of power will today be convinced by these outrageous assertions.

On the other hand, the Communist dogma still finds adherents in two social orders: first, in countries such as Soviet Russia and its satellite states, where Marxism-Leninism has been made a state religion and is protected against the competition of modern ideas by all the means at the disposal of the state; secondly, in areas which are just now going through the inevitably difficult first phase of industrialization. The revolutionary change in the social order which industrialization always brings with it gives rise in every society to dis-

satisfaction and resentments. These resentments are especially strong in former colonial areas, where they often combine with old feelings of hatred against a colonial rule. The Kremlin has been trying for years to exploit such feelings of hatred in the interest of Soviet Russian strivings for power.

What are the problems with which the free world is now confronted as a result of this difficult international situation, and what has the free world done thus far to master these problems?

Awakening of Free World

For the sake of historical truth I want to admit at once that it is less than 10 years since the free world recognized once for all the lust for expansion of the rulers in the Kremlin and hardly 5 years since the free world took the first measures to safeguard its own security. It is true that the whole world was given a clear warning when the Bolshevik regime reached an agreement with its alleged mortal enemy, the National Socialist regime, on the fourth partition of Poland and subjected millions of non-Russians and anti-Bolsheviks to its tyranny. But this warning was not heard in the tumult of the war which was then raging over the Continent. I must confess that after the end of the war many people in the Anglo-Saxon countries cherished the naivest hopes for the future. They constantly proclaimed that the Soviet Union would, to be sure, go its own way in politics and economics but would also respect other nations' right of self-determination. What happened in the next 3 years opened the eyes of everyone. After the brutal rape of Czechoslovakia, which by a Communist *coup d'état* reduced an independent state to a satellite, there could be no more doubt about the real aims of the Kremlin. In the meantime many an illusion has been dispelled. I believe that even those non-Communist German politicians in the Soviet Zone who a few years ago still maintained that the Communists merely desired to collaborate in good faith in a coalition government—I believe that even these gentlemen have by now recognized the real aims of the Kremlin.

Now you will with good reason ask: "And what has the free world done since it became clearly aware of the danger? What has it accomplished in the last few years?"

May I remind you here of some facts which are so well known to all of us that we hardly speak or think about them any more.

One of the most important accomplishments of the free world during the last few years, I would say, is the recovery in the German Federal Republic. Nothing is further from my mind than glossing over the still unsolved problems in Germany. But even if one is fully aware of these problems, one can only speak with admiration of what has been accomplished in Germany since the

currency reform. I have already spoken a word of praise for German industriousness; permit me here also to add a word of praise for those former enemy nations who were willing, only a few years after a bitter war, to aid German recovery as far as they were able.

But not only Germany needed economic assistance in the postwar years. Throughout Europe the economic situation after the Second World War was threatening. A second important accomplishment of the free world, I would say, is that it succeeded with the aid of such bold, original measures as, for example, the Marshall plan in preventing the threatening economic catastrophe in Europe. We know from the statements of leading Soviet officials that the Soviet Union was counting on an economic crisis in the free world in the postwar years and consequently new possibilities of expansion for bolshevism. That such an economic crisis was avoided was of crucial importance for the future of the entire free world.

The hopes of the Bolsheviks for economic chaos in Europe in the postwar years failed to materialize; two attempts at conquering new territories in Europe by brute force were likewise unsuccessful. I refer to the civil war in Greece engineered by neighboring Communist countries and to the Berlin blockade. That Greece and Berlin were saved, thanks to the courage of the people and the effective help of the free world, may also be scored as an important accomplishment.

Only a couple of weeks ago a well-known German statesman said to me: "The failure of the Berlin blockade was a great victory for the free world and the result of the cooperation of a man of determination and a people with courage."

NATO's Contribution to Security

I am convinced that future historians will also count the organization of NATO as one of the great achievements of the free world. Everyone in the free world who still remembers how a few years ago a Western Europe without any possibility of defense faced a Soviet Union armed to the teeth will gratefully acknowledge the NATO contribution to international security.

General Gruenther said recently that the troops in free Europe ready for defense were today three to four times as strong as in January 1951, at the time when [General] Eisenhower assumed office as chief of SHAPE. SHAPE could today counter any attack with strong forces. To be sure, the middle sector of the defense line is not strong enough. Therefore SHAPE has recommended a German defense contribution. But even without this contribution SHAPE has created such a strong shield for Europe that the Soviet troops assembled in the occupied areas of Eastern Europe could today no longer be certain of defeating the troops under SHAPE.

However novel the mutual security system of

the Atlantic nations may be, the establishment of NATO is actually only the formal recognition of an historical reality which developed in the course of time. Even before the North Atlantic Pact was signed, there was a family of Atlantic nations. Every member of this family knew that its own security was endangered as soon as the security of the other members was threatened. The establishment of NATO merely sealed this realization.

Another thing that I believe it is hardly necessary to emphasize is that NATO serves defensive not offensive, aims. No member of NATO is thinking of a third world war to break through the Iron Curtain which today divides Germany and Europe. Of course, we in the free world should never regard this curtain as permanent; we must naturally do all in our power to bring about the day of German reunification in peace and freedom. I for one am firmly convinced that the day of German reunification will come. I am just as firmly convinced that this day must be achieved in peace and freedom and that the overwhelming majority of the Germans in East and West Germany share this conviction. Even when the German people, which suffers most from the division of Europe, through EDC ties itself to NATO, nobody will have the least reason to see anything else in NATO than an instrument of defense.

European Integration

And with that, we have come to the much discussed problem of European integration. On no other subject have I had so many conversations since my arrival in Germany 16 months ago. Just recently I again had an opportunity, at a private gathering, to speak with representatives of German politics and economy about European integration. On this occasion a refugee from the East in particular expressed very pessimistic views. He said among other things: "Today there is so much talk about European unity, but in my youth this unity actually existed. Since 1945, on the other hand, Germany and Europe have been torn asunder; there is talk of integration, to be sure, but actually nothing happens."

I could very well understand why a refugee from the eastern areas of Germany is filled with deep sorrow over the present—but I could not share his views on recent European history. It seemed to me that he credited the period of his youth with advantages which it by no means possessed. The very fact that in the last half century two terrible wars were started in Europe should warn us against an uncritical glorification of the past.

The objective historian will probably say that the characteristic feature of Europe before the First World War was not unity but division and nationalistic hostility. The bitter enmity between Germany and France at that time threatened at any moment to start a conflagration in Europe. In the Austro-Hungarian nation, too, which the ma-

with whom I was conversing praised as a model for the cooperation of various ethnic groups, such strong feelings of hatred had been built up before the First World War that the various national groups strove to break apart forcibly as soon as the central government was weakened by military defeat.

But even if the past had possessed all the advantages which this man seemed to think it had, it could not serve us as a model for the future. Large areas of Europe which 75 years ago were still entirely agricultural are today industrialized. For example, in 1871 two-thirds of the population of the German Empire lived in the country and only one-third in the city. In 1933 the ratio was exactly the reverse: Only one-third of the population still lived in the country and two-thirds lived in the city. Quite apart from the basically different political situation in the world today, the industrialization of former agricultural areas would in itself necessarily lead to a new order among the European nations. Even if it should seem desirable, a restoration of the Europe of 1914 would therefore be altogether impossible.

On the other hand, a modern solution of European problems, namely the economic, political, and military integration of the free nations in Europe, is not only possible but is actually demanded by the economic and political realities of our time. Naturally I know only too well the obstacles which have mounted up time and again recently on the road to European integration. Nevertheless, I say here quite frankly: Without a reconciliation of the historic German-French conflicts, without close cooperation of the free European nations in all fields, without a new communal spirit in a free Europe instead of the traditional divergencies, free Europe does not have any future at all.

Chancellor Adenauer said recently in a speech before the Bundestag:

Let us, Ladies and Gentlemen—and I address these words far beyond this hall to all people of good will in free Europe—realize the seriousness of this period and let us prove ourselves equal to its demands, so that later generations may not condemn us as weak and shallow. We must realize clearly that, if the union of European nations fails, the existence of this Continent will be imperiled.

As a foreign observer who follows developments in Europe with the greatest interest I want to say that I agree with this statement completely.

Question of French Ratification

I must admit that the European movement has not exactly been helped by the delay in the ratification of EDC. The fact that up till now no French Government has been in a position to submit the treaty to Parliament for ratification has been a great disappointment. We should not forget, however, that even here in Germany ratification was concluded only a few months ago. Besides, we

know that France in this period has had to battle with difficult problems created by the crisis in Indochina. The whole free world has followed with sympathy and understanding the French effort to solve these problems.

That the majority of the French people, despite all difficulty, favors ratification of EDC is confirmed by all the information at my disposal. This majority knows that without EDC the whole European unity movement would be jeopardized and that a decision in this vital question cannot be delayed interminably. A few days ago President Eisenhower expressed this same conviction in a letter to President Coty.² He wrote that he hoped the European Defense Community would be realized while there was still the opportunity to do so. We all know that this opportunity will not offer itself much longer. Time is of the essence. All these facts force me to believe that the French Parliament will ratify EDC before the summer recess.

Commemoration of German Day of Unity and Freedom

On behalf of the United States Government, U.S. High Commissioner James B. Conant on June 17 presented to Chancellor Adenauer the following message:

Today the German people commemorate the Day of German Unity and Freedom. One year ago, the workers of the Soviet Zone of Germany rose in a defiant demonstration against their Communist masters to demand that Germany be unified in freedom. That outcry of an oppressed people was heard around the world. Our own history teaches us that the urge of man to enjoy security, to live in liberty and to follow the dictates of his conscience are basic rights which cannot be denied to a people indefinitely.

We therefore join the German people in their commemoration of June 17 and pledge ourselves to use every appropriate occasion to assist the German people in their aim to achieve by peaceful means those freedoms for their countrymen in East Germany.

The way to German reunification, too, leads through European integration, in my opinion. I am convinced that the Russians will not let go of the zone of Germany they occupy until they realize that they cannot use this part of Germany as a springboard for the conquest of all of Europe. As long as the Russians cling to their old wishful thinking that they could push the boundary of their sphere of power up to the Atlantic Ocean, they will not agree to a reunification of Germany in peace and freedom. I believe, however, that, when this dream turns out to be an illusion—and a unified Europe ought to be convincing proof that these Soviet designs cannot be carried out—then

² BULLETIN of June 28, 1954, p. 990.

the realists in the Kremlin will be prepared for real negotiations concerning German reunification.

Up till then, till the day of reunification, which will come, the free world must give the people in the East the feeling of certainty that they have not been forgotten, that they have not been written off by the West, that the time of their suppression will end.

Last week I handed to the Chancellor a message from the American Government in which my Government assumes the obligation to assist the German people in winning back, by peaceful means, freedom and human rights for their brethren in the Soviet Zone. In other words, the free world has recognized that the reunification of Germany in peace and freedom is one of its most important tasks. However, we must not forget that the free world has to solve important tasks not only in Europe but all over the world. If we look back on what the free world has accomplished in the span of a few short years, we will not shrink from these tasks but view the future with determination and confidence.

FOA Announcements

Defense Support Funds for Italy

The Foreign Operations Administration on June 16 announced a \$20 million allotment of defense support funds for Italy with the double objective of providing raw materials needed by Italian industry and stimulating economic development in the country's underdeveloped southern and insular areas.

To meet the two objectives:

1. The dollars will enable Italy's industries to purchase raw materials available only in the United States and other dollar areas.
2. The lira equivalent of these dollars—counterpart funds—to be paid by the Italian industries for the raw materials will provide a revolving industrial loan fund for continental Southern Italy, Sicily, and Sardinia.

Italian industries are producing a large variety of military equipment—naval vessels, arms, ammunition, etc.—for use by Italian and other NATO forces.

The chief purpose of the loan fund is to promote a more rapid growth of industry in what has been recognized as a sore spot in the economy of Italy affecting the security and prosperity not only of all of Italy, but also of Western Europe. Establishment of the special funds, together with previously taken measures, underlines the importance which both the Italian and the U.S. Governments attach to revitalizing these depressed areas, which comprise some two-fifths of Italy's 115,000 square miles.

Plagued by inadequate agricultural and industrial production, chronic unemployment, and underemployment, the 17 million people of the five regions south of Rome, of Sicily and of Sardinia have suffered substantially lower living standards than the other parts of Italy. The inhabitants of these regions comprise more than one-third of Italy's total population.

The Italian Government has long recognized the gravity of the area's plight and in 1950 launched a 12-year program of direct action to create the prerequisites for a sound economic development of Southern Italy. It created the Cassa per il Mezzogiorno (Fund for the South), a public agency to finance basic improvements in that area. The bold program envisaged land reclamation, irrigation, and conservation, for which more than half of the total Cassa budget was earmarked. Development of roads, railways, aqueducts and sewers accounts for about another quarter of the programed funds. The program entails an annual budget equivalent to \$175 million.

The Cassa has moved forward in its basic program, showing effects of full-scale operation at the average annual rate hoped for by last year. At the end of 1953 it could report that more than 40 million man days of work had been generated by its program, 35 percent of the total 12-year program had been approved in the form of specific projects, 30 percent of the total program was under contract and 15 percent of the total funds had been expended.

Technical Cooperation Contracts Signed With Two Colleges

Harold E. Stassen, Director of Foreign Operations, on June 24 signed two comprehensive contracts with U.S. colleges. The new contracts, totaling \$3,300,000, link Washington State College with the University of Punjab in West Pakistan, and Texas Agricultural and Mechanical College with the University of Dacca in East Pakistan.

Both U.S. schools will undertake 3-year programs in the fields of engineering, education, agriculture, business administration, and home economics. The 3-year contracts are in conformance with the Foreign Operations Administration's new university program. Previously American universities assumed responsibility for assisting foreign schools for only a 1- or 2-year period.

Under the contracts, the American school agrees to send overseas a university team to remain in residence at the foreign institution, and also to provide special consultants for briefer periods. The Texas and Washington overseas staffs are expected to total about 40 college representatives. Also, the foreign schools are to send a number of key faculty members and graduate students to study at their "sister universities" in the United States.

As in all the U.S. technical cooperation programs, the request for such contracts is initiated by the foreign government desiring such assistance. The foreign university and government agree to contribute a fair share of the cost of the undertaking.

The two contracts signed June 24 bring the amount of funds obligated in the university contract program to more than \$15 million. The total may reach an estimated \$40 million with the conclusion of nearly 50 more contracts which are now under negotiation with some 40 universities. The university contracts involve more than 30 underdeveloped countries in the Far East, Middle East, Africa, Europe, and Latin America.

The contracts vary in amount from about \$200,000 to \$2,000,000, and provide for the services of as few as two and as many as 31 American university technicians overseas at a time. FOA officials expect that some of the contracts now being sponsored will continue under foreign government or private sponsorship, after FOA financing has terminated, and thus provide a lasting university relationship.

The majority of contracts are with U.S. land-grant colleges. However, some contracts do not involve agriculture, and non-land-grant institutions are also participating in the FOA program.

The assistance of such agencies as the U.S. Office of Education, the American Council on Education, the National Education Association, the Land Grant College Association, and the American Society for Engineering Education is sought in determining whether the institutions suggested by foreign governments are appropriate for the projects indicated.

Training Center in Puerto Rico

The Foreign Operations Administration on June 25 announced the signing of a contract with the Commonwealth of Puerto Rico to conduct an international technical cooperation training center for participants from over 40 countries.

The contract continues a cooperative training program that began in Puerto Rico in May 1950. Through May 1954, 1,300 participants were trained. They represented almost every country with which the U.S. Government participates in economic or technical cooperation.

The largest single group of students will come from the British, French, and Netherlands areas of the Caribbean for whom special courses on the vocational level have been planned. The training facilities of the vocational schools, the Department of Education, and the University of Puerto Rico will be utilized, along with the opportunities for apprentice training on the farms and in the shops and growing industries of the Commonwealth. Participants will be largely teachers and supervisors in the fields of industry, trade, and agriculture, with a limited number of young vocational students.

Seventy participants from the dependent overseas territories are presently enrolled in the Metropolitan Vocational School studying principally the mechanical trades. The Foreign Operations Administration is making \$150,000 available immediately to enlarge and broaden the program to include more advanced instruction for teachers and supervisors and to offer work in vocational agriculture.

In addition, FOA proposes under the contract to contribute \$90,000 during fiscal 1955 to train up to 500 participants from other areas of the world in concentrated short courses. This phase of the program will permit training in various fields including agriculture, social welfare, housing, education, health, industrial development, labor, public administration, and technical information with particular attention to the use of audio-visual aids.

The contract will go into effect on July 1. It was negotiated at the request of Governor Luis Muñoz-Marín of the Commonwealth. The former training program was carried on under the supervision of the Puerto Rico Planning Board. The new one has been placed under the jurisdiction of the Secretary of State of Puerto Rico with direct supervision by Under Secretary Arturo Morales Carrion.

Puerto Rico is particularly well fitted to offer technical training to participants from other countries. The Commonwealth is a onetime underdeveloped country which, through its "Operation Bootstrap," has solved many of its own economic and social problems.

For the past 13 years, Puerto Rico has successfully conducted a wide variety of programs of agricultural, health, education, and economic development. Thus it provides firsthand observation and experience under conditions comparable to those in the countries from which the training participants come. The country is bilingual, offering instruction in either Spanish or English.

In requesting the contract, Governor Muñoz-Marín stressed the fact that "the people of Puerto Rico are desirous of sharing their experience in social and economic development with other areas of the world which are struggling to achieve a better standard of living."

Support for Jordan Development Program

United States economic aid in support of the Jordan Government's program for better roads, more water, improved crops and livestock, and restoration of forest lands was announced by FOA on June 28. The Foreign Operations Administration has allotted \$8 million to give practical effect to an economic assistance agreement announced on June 15.¹

¹ BULLETIN of June 28, 1954, p. 1000.

About half of the economic aid—approximately \$4 million—will be in the form of commodities, principally of raw and processed agricultural commodities, badly needed in Jordan. These, when sold within the country, will produce local currencies to help finance the development projects. The remaining half of the \$8-million allotment will cover the costs of engineering and other technical services and equipment imported for the development work.

Jordan is a country somewhat larger than Maine. Farming and animal husbandry are the principal occupations. Wheat, barley, olives, tobacco, and grapes are the principal crops. Small industries processing farm products represent the chief industrial activity. The country's precarious economic situation is aggravated by the addition of 480,000 refugees to its previous population of 900,000.

Jordan suffers from a general depletion of her limited natural resources. The country lacks the technical know-how and the money to make substantial headway toward solution of its basic economic problems. International and private agencies are giving assistance. The United States, in addition to carrying out programs of technical cooperation, made a grant of wheat in 1952, valued at \$1,264,000 and a further grant in 1954, under the Famine Relief Act, valued at \$1 million.

The \$8 million allotment will be spread over five major projects as follows: irrigation, \$3 million; range resources rehabilitation and development, \$2 million; afforestation and watershed protection, \$500,000; road construction, \$2 million; and ground water exploration and development, \$500,000.

International Bank Loan to Ceylon

The International Bank for Reconstruction and Development announced on June 18 that it has approved its first loan to Ceylon. The loan will be made in various currencies equivalent to \$19,110,000. The funds will help to carry forward the Aberdeen-Laksapana hydroelectric scheme for supplying additional power to southwestern Ceylon, the most productive and populous part of this island country.

The hydroelectric power potential of Ceylon is largely undeveloped, and there is a heavy dependence on thermal power which is generated entirely with imported fuel. Particular importance, therefore, is attached to the development of hydroelectric power because it will both produce additional electricity at lower cost and effect foreign exchange savings.

The Aberdeen-Laksapana scheme is intended to develop the power potential of the Kehelgamu and

Maskeliya Rivers at a point about 50 miles east of Colombo, the capital. Eventually the total generating capacity of this development will be 150,000 kilowatts. The scheme is being carried out in stages, of which the first was completed in 1951. It consisted of the construction of a 25,000-kilowatt plant in the Laksapana Valley, a diversion dam and tunnel to conduct water from the Kehelgamu to the plant, and a transmission line to Colombo.

The next stage of this development is being financed with the help of the bank's loan. It consists of the construction of a second dam to store additional water from the Kehelgamu and to regulate its flow to the power station, the addition of 25,000 kilowatts to the generating capacity of the existing power plant, and the construction of transmission lines and distribution facilities.

The total cost of this stage is estimated at about 150 million rupees (equivalent of \$31.5 million). The bank's loan will finance the foreign exchange requirements; the rupee costs will be met by the Government. It is expected that the project will be completed in approximately 4 years.

Tea, rubber, and coconut products constitute 90 percent of Ceylon's exports. Almost all the factories processing these products are situated in the area to be served by the Aberdeen-Laksapana project. These industries now rely for power to a great extent on small thermal units. Increased supplies of low-cost power from the project will improve efficiency of production in the factories. The power will also be used in light industries producing consumer goods of kinds now imported.

The area served also includes Colombo, which is Ceylon's largest city and most important port. A program to enlarge and modernize the port, now nearly finished, will enable it to handle more traffic and will increase the demands for power for cargo-handling facilities. Because Colombo is the center of Ceylon's foreign trade and has a large labor force, it is likely that future industrial growth, with consequently increased demand for power, will take place in this vicinity.

The power system which is being built up in the area served by the Aberdeen-Laksapana project is run by the Electrical Undertakings Department of the Ceylon Government. The major part of the construction will be done by foreign contractors under the supervision of British consulting engineers and the Department.

The loan is for a term of 25 years and bears interest of 4¾ percent per annum, including the statutory 1 percent commission charged by the bank. Amortization will begin January 15, 1959.

The Executive Directors of the bank approved the loan at a meeting on June 17, 1954, and the loan documents will be signed shortly.

Export-Import Bank Declares Dividend of \$22,500,000

The Export-Import Bank of Washington announced on June 28 the declaration of a dividend for the year in the amount of \$22,500,000, which will be payable to the Treasury of the United States on July 1, 1954. The dividend is $2\frac{1}{4}$ percent of the bank's capital stock of \$1 billion, all of which is held by the Treasury.

The dividend will be paid out of gross earnings estimated to be \$86.2 million during the fiscal year ending June 30, 1954. The bank will realize a net profit of approximately \$56.9 million on its operations during the fiscal year before payment of the dividend. The net profit figure is stated after deducting from gross earnings operating expenses of \$1.1 million and \$28.2 million interest paid on money borrowed from the U.S. Treasury.

The remainder of the net profit, approximately \$34.4 million, will be added to the accumulated past earnings of the bank, which constitute a reserve for possible future losses. The reserve will then amount to approximately \$330 million.

Total dividends paid to the Treasury since 1951 will amount to \$85 million. Total dividends paid since the bank was organized amount to \$105,905,178. Principal repayments on outstanding loans during the fiscal year will amount to approximately \$350 million.

Stable Isotopes To Be Available for Foreign Distribution

Stable isotopes produced in facilities of the U.S. Atomic Energy Commission will be available for foreign distribution under a program announced on July 1 by the Commission.¹

Radioisotopes have been sold to foreign users by the Commission since 1947, but stable isotopes generally have been available only to users within the United States. About 175 stable isotopes of nearly 50 elements are produced by the AEC. Stable isotopes, like radioisotopes, are valuable tools for basic research in various scientific fields.

A total of 48 foreign countries has been authorized to receive radioisotopes produced in the United States, and approximately 2,500 foreign shipments of radioisotopes have been made. Foreign requests for stable isotopes will be forwarded

¹ Most elements have several forms, similar in chemical behavior but differing in atomic weight. These are the isotopes of the element. More than 1,000 isotopes occur naturally or have been artificially produced. Some are radioactive. These usually are called radioisotopes. Others are nonradioactive, or stable. Since the isotopes of an element are similar in chemical behavior, their separation from each other requires special processes.

to the Commission through the official representatives of foreign nations for radioisotope procurement.

The terms and conditions for obtaining stable isotopes will be the same as those which now apply to foreign requests for radioisotopes. The applicant must agree to use the isotope only for the purpose stated in the application, and also must agree to report research results to the AEC. Foreign countries may obtain isotopes for scientific research, medical research, industrial isotopes for scientific research, medical research, industrial research, medical therapy, and industrial utilization.

Stable isotopes will be sold at prices which will recover full costs of production. The quantity of a stable isotope approved for export will be limited to the amount generally provided to a domestic user for a similar purpose.

Although some stable isotopes have been produced since the 1930's, pre-World War II techniques for the concentration and separation of stable isotopes were impracticable for most elements, and only very minute quantities of pure separated isotopes could be obtained.

Electromagnetic separation was one of the methods used during World War II to separate the uranium-235 isotope, needed for atomic weapons, from the more common uranium-238 isotope. This method no longer is used for uranium separation. However, part of the electromagnetic separation plant at the Oak Ridge National Laboratory has been utilized for the production of stable isotopes for research, in quantities much greater than were available before. Most stable isotopes now are produced by electromagnetic separation.

Stable isotopes have various research uses. Some elements do not have radioisotopes with half-lives long enough to make their use feasible in experiments. Stable isotopes of these elements can be used in tracer experiments. Boron-10 is useful as a neutron detector. Deuterium, the stable heavy isotope of hydrogen, has been utilized in biological and chemical studies. Helium-3 is important in low-temperature studies.

Educational Exchange Commission Members Confirmed

The Senate on June 28 confirmed the following to be members of the United States Advisory Commission on Educational Exchange for the terms indicated, and until their successors have been appointed and qualified:

Arthur Hollis Edens for the remainder of the term expiring January 27, 1955.

Anna L. Rose Hawkes, for the remainder of the term expiring January 27, 1955.

Rufus H. Fitzgerald, for the remainder of the term expiring January 27, 1956.

Arthur A. Hauck, for the remainder of the term expiring January 27, 1956.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of Meetings¹

Adjourned during June 1954

U.N. Conference on Customs Formalities for the Temporary Importation of Private Vehicles and for Tourism.	New York	May 11-June 4
U.N. Disarmament Commission, Subcommittee of Five (Powers): 2d Session.	London	May 13-June 22
Who Executive Board: 14th Meeting	Geneva	May 24-June 3
11th International Ornithological Congress	Basel	May 29-June 5
10th International Congress of Agricultural and Food Industries. . .	Madrid	May 30-June 7
Icao Assembly: 8th Session.	Montreal	June 1-June 14
Ilo Annual Conference: 37th Session	Geneva	June 2-24
Fao Committee on Commodity Problems: 23d Session	Rome	June 3-11
U.N. International Law Commission: 6th Session	Paris	June 3-26
International Cotton Advisory Committee: 13th Plenary Meeting . .	São Paulo	June 7-17
UNESCO Intergovernmental Conference of Experts on Cultural Relations and Conventions.	Paris	June 8-18
9th Pan American Railway Congress, U.S. National Commission . .	Washington	June 9
5th Inter-American Travel Congress	Panamá City	June 10-20
International Tin Study Group, Management Committee.	London	June 11
Fao Technical Advisory Committee on Desert Locust Control: 4th Meeting.	Cairo	June 12-14
Fao Committee on Research of Latin American Forestry Commission.	Rio de Janeiro	June 14-17
International Commission for Northwest Atlantic Fisheries: 4th Annual Meeting.	Halifax	June 14-19
International Meeting of Tonnage Measurement Experts	Paris	June 14-23
U.N. ECE European Regional Conference of Statisticians: 4th Session.	Geneva	June 14-19
U.N. Permanent Central Opium Board and Narcotic Drugs Supervisory Body: 11th Joint Session.	Geneva	June 14-26
Civil Aviation Meet (Centenary of São Paulo)	São Paulo	June 16-20
International Wheat Council: 15th Session	London	June 16-26
Ilo Governing Body: 126th Session	Geneva	June 25-26

In Session as of June 30, 1954

Geneva Conference	Geneva	Apr. 26-
International Fair of Navigation	Naples	May 15-
U.N. Trusteeship Council: 14th Session	New York	June 2-
Icao Meteorology Division: 4th Session	Montreal	June 15-
Wmo Commission for Aeronautical Meteorology: 1st Session	Montreal	June 15-
Unesco Seminar on Educational and Cultural Television Program Production.	London	June 27-
U.N. Economic and Social Council (Ecosoc): 18th Session.	Geneva	June 29-
ITU International Telegraph Consultative Committee (Ccir): Study Group XI.	Geneva	June 30-
Art Biennale, XXVIIth	Venice	June-

Scheduled July 1-September 30, 1954

International Exposition and Trade Fair	São Paulo	July 1-
8th International Congress of Botany	Paris	July 2-
Inter-American Technical Cacao Committee: 5th Meeting	Turrialba (Costa Rica)	July 4-
17th International Conference on Public Education (jointly with UNESCO).	Geneva	July 5-
XVth International Exhibition of Cinematographic Art	Venice	July 6-
International Union of Pure and Applied Physics: 8th General Assembly.	London	July 6-
6th Pan American Highway Congress	Caracas	July 11-
International Whaling Commission: 6th Annual Meeting.	Tokyo	July 19-
International Union of Crystallography: 3d General Assembly . . .	Paris	July 21-
World Power Conference: Sectional Meeting	Rio de Janeiro	July 25-

¹ Prepared in the Division of International Conferences June 28, 1954. Following is a list of abbreviations: U.N., United Nations; Who, World Health Organization; Icao, International Civil Aviation Organization; Ilo, International Labor Organization; Fao, Food and Agriculture Organization; Unesco, United Nations Educational, Scientific and Cultural Organization; Ece, Economic Commission for Europe; Wmo, World Meteorological Organization; Ecosoc, Economic and Social Council; Itu, International Telecommunication Union; Ccir, International Telegraph Consultative Committee (Comité consultatif internationale télégraphique); Gatt, General Agreement on Tariffs and Trade.

Calendar of Meetings—Continued

Scheduled July 1–September 30, 1954—Continued

GATT Ad Hoc Committee for Agenda and Intersessional Business . . .	Geneva	July 26–
3d Inter-American Conference on Indian Life	La Paz	Aug. 2–
Fao Caribbean Agricultural Extension Development Center	Jamaica	Aug. 5–
Bogotá International Exposition	Bogotá	Aug. 6–
10th World's Poultry Congress	Edinburgh	Aug. 13–
5th International Congress of Soil Science	Leopoldville (Belgian Congo) .	Aug. 16–
U. N. Committee on Information from Non-Self-Governing Terri- tories: 5th Session.	New York	Aug. 20–
8th Edinburgh Film Festival	Edinburgh	Aug. 22–
31st International Congress of Americanists	São Paulo	Aug. 23–
2d International Congress of Classical Studies	Copenhagen	Aug. 23–
International Scientific Radio Union: 11th General Assembly	Amsterdam	Aug. 23–
Wmo Executive Committee: 5th Session	Geneva	Aug. 25–
Inter-Parliamentary Union: 43d Conference	Vienna	Aug. 27–
UNESCO Regional Seminar on the Arts and Crafts in General Education and Community Life.	Tokyo	Aug. 28–
International Mathematical Union: 2d General Assembly; and Inter- national Congress of Mathematicians.	The Hague and Amsterdam .	Aug. 31–
U. N. World Population Conference	Rome	Aug. 31–
International Society of Cell Biology: 8th Congress	Leiden	Sept. 1–
Fao Latin American Regional Meeting on Food and Agricultural Pro- grams and Outlook.	Buenos Aires	Sept. 1–
International Sugar Council, Meeting of Executive Committee	London	Sept. 6–
ICAO Legal Committee: 10th Session	Montreal	Sept. 7–
International Sugar Council, Meeting of Statistical Committee. . . .	London	Sept. 7–
International Sugar Council, 1st Meeting of Second Session	London	Sept. 8–
2d International Seminar on the Role of Museums in Education (UNESCO).	Athens	Sept. 12–
Colloquium on Luso-Brazilian Studies	São Paulo	Sept. 12–
International Union of Geodesy and Geophysics: 10th General Assem- bly.	Rome	Sept. 14–
International Federation for Documentation: 21st Conference	Belgrade	Sept. 19–
Consultative Committee on Economic Development in South and Southeast Asia ("Colombo Plan").	Ottawa	Sept. 20–
Fao Committee on Commodity Problems: 24th Session.	Rome	Sept. 20–
IX International Exposition of Preserved Foodstuffs and Packing . .	Parma (Italy)	Sept. 20–
U.N. General Assembly: 9th Session	New York	Sept. 21–
International Bank for Reconstruction and Development and Inter- national Monetary Fund: 9th Annual Meeting of Boards of Governors.	Washington	Sept. 24–
4th International Exposition of Cotton, Rayon, Textile Chemistry and Machinery.	Busto Arsizio (Italy)	Sept. 26–
Fao Council: 20th Session	Rome	Sept. 27–
ILO Chemical Industries Committee: 4th Session	Geneva	September

U.S. Delegations to
International Conferences

International Union of Pure and Applied Physics

The Department of State announced on July 1 (press release 360) that the United States Government will be represented at the Eighth General Assembly of the International Union of Pure and Applied Physics, opening at London on July 6, by the following:

John C. Slater, Ph.D., *Chairman*, Professor, Massachusetts Institute of Technology, Cambridge, Mass.
Henry A. Barton, Ph.D., American Institute of Physics, New York, N. Y.

Karl K. Darrow, Ph.D., Bell Telephone Laboratories, Inc., New York, N. Y.
Harold H. Nielson, Ph.D., Professor and Chairman, Department of Physics and Astronomy, Ohio State University, Columbus, Ohio
John A. Wheeler, Ph.D., Professor, Department of Physics, Princeton University, Princeton, N. J.

The International Union of Pure and Applied Physics was founded in 1923 to encourage international cooperation in physics; to coordinate the work of preparation and publication of abstracts of papers and of tables of physical constants; to bring about international agreement on matters of units, nomenclature and notations; and to support research in suitable directions.
The Seventh General Assembly was held at Copenhagen, July 1951.

Future Relationship of Gold Coast and British Togoland

STATEMENT BY MR. SEARS

U.S./U.N. press release 1929 dated June 29

Following is the text of a statement issued on June 29 by Mason Sears, U.S. Representative in the Trusteeship Council, together with the text of a U.S. draft resolution introduced in the Council on the same date:

Since recent constitutional developments in the Gold Coast have placed this West African colony of Great Britain on the threshold of independence, the terms of the future relationship of its 4 million people with the adjoining trust territory of British Togoland will require early action by the United Nations.

This is a matter of fundamental concern to the people of both territories and especially to Togoland. Any action or lack of action which would hold them back and keep their country in a dependent status against the known wishes of so many of its people would scarcely be in line with the principle of self-determination.

Recognizing this, the United States delegation today introduced into the Trusteeship Council a resolution in support of a British note suggesting that the General Assembly set up machinery in 1956 to determine public opinion in the territory. Presumably the best way to do this would be by plebiscite.

Because the outcome could result in political freedom for the people of a trust territory, the question is perhaps the most important one ever raised in the Trusteeship Council.

The reason for this arises directly from the results of the election on June 15 in British Togoland and the Gold Coast. Although these elections were for members of the new Gold Coast Legislative Assembly, they have provided a significant indication of the wishes of the Togoland.ers.

All Togoland.ers elected in the north and at least half of those elected in the south favor the merging of Togoland into an independent Gold Coast. In northern Togoland the overwhelming sentiment in favor of joining their neighboring tribesmen across the border had been expected. Even in the constituencies of southern Togoland, where there has been a movement for unification of British and French Togoland, at least half of the vote was clearly in favor of those who desire to become part of an independent Gold Coast.

The vote in the south was about 24,000 for the candidates of the Togoland branch of the Convention People's Party, which favors joining the Gold Coast, to about 21,000 for the candidates of the Togoland Congress, which favors unification with

French Togoland. A few thousand votes went to an independent candidate.

We feel sure that the United Nations will regard this as an impressive step forward toward the final achievement of self-determination. To do otherwise would tend to make a mockery of the principle of self-determination.

Election day on June 15 marked a new phase in a series of constitutional developments occurring in West Africa which will place millions of West Africans under responsible government of their own choosing.

It was also a red-letter day in the evolution of the trusteeship system since it was the first time that elections on the basis of universal suffrage have been held in a United Nations trust territory.

Moreover, we believe that the influence of these elections will benefit the orderly development of self-government in other dependent areas.

The United States delegation takes this occasion to pay tribute to Prime Minister Nkrumah and his Government for the statesmanship and wisdom with which they are guiding their people toward independence. The United States wishes him well in fulfilling his task of bringing African peoples into full membership in the family of free nations.

U. S. DRAFT RESOLUTION

U.N. doc. T/L. 480
Dated June 29, 1954

The Togoland Unification Problem

The Trusteeship Council,

INFORMED by the United Kingdom Government of the recent constitutional developments in the Gold Coast which affect the future of the Trust Territory of British Togoland,

HAVING REGARD to the terms of the trusteeship agreement, and to the resolutions of the General Assembly and of the Trusteeship Council relating to this question,

NOTING that it is the wish of the United Kingdom Government to have on the provisional agenda of the next General Assembly the question of "the future of the Trust Territory of Togoland under United Kingdom Trusteeship",

CONSIDERING that it is the duty of the Trusteeship Council to assist the General Assembly in its consideration of this question,

RECOGNIZING also that the free and democratic general elections recently held in the Gold Coast and in British Togoland, based on the principle of universal suffrage, have given a significant indication of the wishes as well as the political maturity of the people of British Togoland,

CONVINCED, however, that before a final determination of the future of this Territory can be made it will be necessary, as the Charter provides, and as the Administering Authority recommends, to establish the "freely expressed wishes of the peoples concerned",

NOTING that the Administering Authority proposes that the United Nations itself should arrange to ascertain, by whatever means it considers desirable and appropriate, the wishes of the inhabitants of the Trust Territory as to the status to be enjoyed by them when the present

arrangements for administering the territory become inoperable,

1. *Expresses* the Council's gratification that the initial step in the process of self-determination has been taken through the general elections for the Legislative Assembly;

2. *Commends* the United Kingdom Government for the effort it has made in co-operation with the peoples of the Gold Coast and British Togoland to chart a course leading to the establishment of arrangements which will accord with the wishes of the people concerned and the principles of the Charter;

3. *Recommends* that the forthcoming General Assembly place the proposal of the United Kingdom Government early on its agenda so that its general guidance in this important matter can be developed with due deliberation on all the issues involved;

4. *Agrees*, if the General Assembly so desires, to formulate at its fifteenth and sixteenth sessions, such methods and procedures for ascertaining the wishes of the inhabitants, and for terminating the trusteeship, so that the General Assembly at its tenth session can set in motion the approved machinery in the course of 1956.

The Cargo Preference Principle in Merchant Shipping

Statement by Thorsten V. Kalijarvi

*Deputy Assistant Secretary for Economic Affairs*¹

The purpose of this bill is to strengthen the American merchant marine. The Department of State does not question this objective; in fact, the Department welcomes an opportunity to reaffirm its support for a merchant marine adequate to our strategic and commercial needs.

The Department of State, along with other agencies of the Government, testified against S. 3233 in the Senate. Although S. 3233 as passed is an improvement over the original bill, the Department is still concerned over the possible adverse effects of this legislation not only on the merchant marine but on other segments of the economy as well.

Among the many responsibilities which the Department of State must discharge is that of protecting the legitimate commercial interests of all U.S. industries engaged in exporting and importing American goods and services. It is the Department's belief that the greatest protection for, and benefit to, our foreign trade as a whole lies in the expansion of world trade through the development of a healthy international commercial atmosphere. This is a matter of vital concern to the United States, the world's largest trading nation. This concern, therefore, for a mutually beneficial international exchange of goods and services is a practical and a selfish one.

There is one point which I cannot overemphasize: When we talk about foreign trade, we are not talking about abstract ideas or theories. We are talking about the American goods, the American workers, the American capital, and the American know-how which make up that part of our economy which is engaged in the export and import of goods and services. On the exporting side we are talking about such industries and commodities as agricultural machinery, pharmaceuticals, petroleum products, sewing machines, electrical equipment, automobiles, tires, cotton, tobacco, fruit, grain, meat products, and so on. At the same time, the United States must import a great variety of essential raw materials. I don't think I need to belabor this point, but I do want to emphasize the importance to this Nation of our foreign trade. It follows that one of the Department's most important tasks is to preserve an atmosphere which will best enable us to sell the goods we produce and buy the essential raw materials that we need.

The very fact that the Department of State has the responsibilities I have referred to makes it essential that any proposal relating to the discharge of one responsibility must be carefully evaluated for its possible effect upon all the others. The American merchant marine represents one of the industries which make up the sum total of our foreign trade. Therefore, the Department must consider this bill in terms of its possible effect upon the overall trade picture.

Without going into any great detail, I believe

¹ Delivered for Mr. Kalijarvi on June 23 by Harvey Klemmer, Acting Director of the Office of Transport and Communications Policy, before the Merchant Marine and Fisheries Committee of the House of Representatives with regard to S. 3233.

it is accurate to say that there is a basic distinction between this bill and existing cargo preferences. This bill would not only substantially broaden existing cargo preferences, but would enact them into permanent legislation. The great majority of existing cargo preferences are temporary in nature, in that they have been written into legislation containing dates of termination. This bill, therefore, would make it very clear to all nations that the United States has accepted the cargo preference principle as a permanent part of its maritime statutes.

In recent years, the Department of State has been engaged in the difficult, tedious, and at times unrewarding task of seeking the removal of various restrictive and discriminatory practices against the foreign trade of the United States. This task is not only necessary to protect U.S. interests abroad but is part of the Department's foreign economic policy goal of encouraging a healthy atmosphere for world trade.

Discrimination by Foreign Countries

In the field of shipping, restrictive and discriminatory practices by foreign countries have taken various forms. American shipping companies have evidenced great concern over such practices. They know better than we what such discriminations can do to their interests. Without any qualification, I can say that, whenever a report is received by the Department regarding a discrimination, and it is verified, every appropriate effort is made to obtain the removal of that discrimination. While we have not succeeded in all such efforts, the Department has been successful in obtaining the removal or relaxation of most of the discriminations encountered.

Unfortunately, there is one type of shipping discrimination with which we have had little success. It is the application of the 50-50 principle to quasi-governmental and even to commercial cargoes by other nations. The Department has vigorously protested such discriminations and has answered references to analogous United States practices by pointing out that our cargo preferences for the most part are temporary in nature and apply only to government-owned or financed cargoes. Obviously this argument will lose force if our practices are broadened and put on a permanent basis.

What we are talking about here is the obvious trend toward the use of cargo preferences. Certain nations have indicated a desire to halt this trend and preserve the element of private initiative and private enterprise in the field of ocean transportation. Certain other nations, notably those newly entered in the field of ocean transportation, have indicated a tendency toward increasing government control over their merchant shipping. This tendency is best evidenced by their eagerness to employ cargo preferences. The example of the

United States in this matter may well determine whether private initiative or government control will eventually prevail in this field.

The Department of State believes that merchant shipping should provide the maximum scope for private initiative and private enterprise consistent with national security. The allocation of cargo by government decree is a step in the direction of greater governmental control of ocean transportation.

This is no idle fear on the Department's part, nor does it reflect any idealistic notions. Rather, it is a sober appraisal of the hard facts of life as we deal with them every day. It might be useful at this point to consider the possibility that other nations which possess certain mineral or agricultural resources, vital to our economy in peace and war, may simply decree, on the basis of the cargo preference principle, that such materials must be exported in national vessels or in the vessels of a given corporation.

This is not mere speculation. Efforts are being made right now to implement just such a cargo preference scheme in at least one important oil-producing country with respect to its petroleum exports. American petroleum companies and tanker operators are seriously concerned over the consequences of this form of cargo allocation and have expressed their concern to the Department.

I am talking here of the agreement between Mr. Onassis and the Saudi Arabian Government to form a private company to operate a tanker fleet under the Saudi Arabian flag. This new agreement seems to us to be an example of cargo preferences carried to their ultimate conclusion. As presently interpreted, the agreement may provide a virtual monopoly of Saudi Arabian oil shipments. As the Committee is aware, Saudi Arabian oil is being developed by a firm known as ARAMCO, which is made up of four of the largest American oil companies. These companies take a very serious view of this agreement, as does the Department of State, of course.

Violation of ARAMCO Concession

The Department has protested this agreement as a violation of the ARAMCO concession. I might add that had S. 3233 been passed in its original form the Department would have been in the embarrassing position of protesting an action which would have been entirely possible under the original terms of this bill. The indications are that efforts are being made to establish this type of cargo preference in several other countries. We know of at least three other countries which have been approached to make similar agreements, whereby the transportation of their oil, or a share of their oil, would be reserved to certain shipping companies which would be set up under the flag of those countries, in return for the payment of royalties on each ton of oil shipped out of the

country. If this sort of thing should spread, there would be no reason why other countries producing iron ore, bananas, coffee, chrome, manganese, or what have you, could not apply the same principle by setting up national flag fleets and requiring, by law, that a certain percentage of all such cargoes move in national vessels. That is why we are so concerned about the extension of this principle at this time.

The cargo preference principle, whether for profit or the desire to support national merchant fleets, could be applied by any country to any number of commodities—petroleum, iron ore, manganese, chrome, nitrates, tin, and for that matter even coffee or bananas. The list is endless. If carried to its logical conclusion, such a practice would have nations attempting to transport 50 percent, or 75 percent, or even 100 percent of the cargo entering and leaving their ports. Trade would decline because of increased costs and the enforced rigidity of the means of transportation and, in the long run, every trading nation would suffer. Surely, neither the American merchant marine nor the Nation as a whole would find any comfort under such conditions.

Of course, some will say that, if such conditions arise, it will be up to the Department of State to stop them; that is the Department's job. Without appearing unduly pessimistic, let me say that once the vicious cycle of competitive discriminations is started, stopping it before any real damage is done is much easier to say than to accomplish. Sovereign nations cannot order each other to cease their respective practices. Results in this field are obtained through mutual consent and co-operation. Moreover, the probable worst offenders in this field would be nations which receive little or no aid from the United States, thus leaving little bargaining advantage in that respect.

Up to now, I have concentrated on the possible international repercussions if this bill is enacted into law—repercussions which the Department believes would adversely affect our entire foreign trade as well as the American merchant marine in the long run. It might be useful at this point to consider the fact that our basic merchant marine problems are long-range problems. On the other hand, our aid programs are temporary and getting smaller each year. This bill proposes to solve a long-range problem with short-range, declining means. Apart from the international consequences, such fluctuating and temporary means should not be relied upon as a foundation for so vital a segment of our defense structure as our merchant marine.

Decreasing Value of Cargo Preferences

With the obvious decline in our aid programs it is apparent that cargo preferences will prove of decreasing value to our merchant marine as a source of cargo. Therefore, it is only a matter of

time until the principle must either be abandoned as valueless, or extended to all cargoes touched by the hand of Government and perhaps finally to all United States imports and exports. The first alternative promises only temporary benefits, and the second alternative promises grave consequences for the merchant marine and for our foreign trade as a whole.

It is the Department's view that support for an adequate merchant marine should be open, direct, and subject to periodic review by the Congress. In his message to the Congress on foreign economic policy,² the President stated that: "... we must have a merchant marine adequate to our defense requirements. I subscribe to the principle that such support of our merchant fleet as is required for that purpose should be provided by direct means to the greatest possible extent." More recently, the President requested the Department of Commerce to study the extent to which direct means can be utilized to maintain an adequate merchant marine. It is hoped that this study will provide long-range answers to a difficult, long-range problem. Pending the completion of the Commerce Department's study, the Department of State believes that any action on S. 3233 would be premature.

I am not here to say that the United States *cannot* restrict the carriage of such cargoes to its own vessels. Of course it *can*. But that isn't the question. The question is whether or not it would be helpful or harmful in the overall picture to U.S. trade and to our merchant marine.

As I stated in my opening remarks, the Department of State fully supports a merchant marine adequate to our strategic and commercial needs. We would, however, be less than honest if we came before this Committee and failed to tell you of the dangerous repercussions which in our experience and judgment are embodied in the cargo preference principle. The Department, therefore, in all conscience, cannot support the enactment of S. 3233.

Mr. Chairman, formal representations in writing have been made to the Department of State by nine foreign governments with reference to the proposed bill. I have with me copies of these notes which the Committee may wish to make a part of the record.

TEXTS OF COMMUNICATIONS CONCERNING S. 3233

Aide-Memoire From the British Embassy

Reference is made to the Bills, S. 3233 and H. R. 8659, introduced into Congress on March 31 to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation in United States flag vessels of water-borne cargoes in which the United States Govern-

² BULLETIN of Apr. 19, 1954, p. 602.

ment either directly or indirectly are financially interested.

2. The United States Secretary of State will be aware from the memorandum handed to the United States Secretary of the Treasury by the United Kingdom Chancellor of the Exchequer on April 24, 1953, of the importance attached by Her Majesty's Government to the principle of the freedom of shipping to compete in free and fair competition in international trade, and the serious impact on the economy of the United Kingdom of any departure from that principle. Her Majesty's Government accordingly welcomed the recommendations on this subject in the report of the Randall Commission. The proposals in the Bills now before Congress appear to constitute a complete negation of the letter and spirit of these recommendations and Her Majesty's Government assume that they accordingly do not have the support of the United States Administration.

3. On a point of detail it is noted that the first proviso in the Bills appear to contemplate, as a matter of principle, that carriage of cargoes of the types mentioned above should be reserved exclusively to United States flag vessels, and that relief from this over-riding principle is possible only after the holding of public hearings. Further, the second proviso amounts to regulation by legislative means of the employment of third-country flag ships, irrespective of the choice or desire of the consignee or consignor. On practical grounds alone the administration of the provisions of these Bills would appear to create very serious difficulties and uncertainties.

4. Apart from the general objections to the enforced distortion of normal shipping patterns, one of the most disquieting features of the Bills is the implication in the words "... shall furnish to or for the account of any foreign nation ...". These words seem to imply that transactions of any kind, where the United States Government has any interest, however remote, or has in any way acted as an intermediary, could fall within the scope of the proposed legislation. Her Majesty's Government would view such an interpretation with the gravest concern, since it would result in the introduction of discriminatory shipping practices into transactions of any ordinary commercial nature.

5. The United States Government will not have overlooked the probability that these proposals, if adopted, would undoubtedly encourage the introduction by other countries of similar discriminatory shipping measures to an extent far greater than those now existing. Already certain countries have cited the practices introduced by the United States Government in connection with mutual aid cargoes as a pretext for imposing discriminatory conditions in connection with their own national fleets. These practices on the part of other countries, whether retaliatory or not, affect adversely the United States merchant marine as well as the merchant fleets of other countries whose shipping is engaged in international trade.

BRITISH EMBASSY
WASHINGTON D. C.,
3rd May, 1954

Aide-Memoire From the Diplomatic Mission of the Federal Republic of Germany

On March 1, 1954, Senator Butler introduced a bill (S. 3233) in the Senate simultaneously with a similar bill (H. R. 8659) of Representative Tollefson in the House of Representatives to amend the Merchant Marine Act 1936 with the objective to provide legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels.

In principle, these bills, if enacted, would require all aid cargoes to be carried in United States-flag vessels, subject only to waiver to 50 percent for the flag of the recipient countries after public hearing by the Secretary of Commerce. If correctly understood, the provisions

under review would cover cargoes originating within the United States and possessions and off-shore cargoes as well.

It may be pointed out that no legislation of this or a similar nature exists in the Federal Republic of Germany in the field of marine transportation, and American shipping can unequivocally participate in traffic offered for shipment in West-German ports.

The intended legislation is also contrary to the recommendation of the Committee on Foreign Economic Policy (Randall Commission) in its report to the President, dated January 23, 1954. The Commission recommended "that the statutory provisions requiring use of the United States vessels for shipments financed by loans or grants of the United States Government and its agencies be repealed."

The measures provided in the bills, when set into force, will undoubtedly deliver an unfortunate example to other countries and encourage them to promote restrictions with the result that the free commercial intercourse would severely be hampered.

In view of these consequences the Diplomatic Mission of the Federal Republic of Germany wishes to bring to the attention of the United States Government its deep concern in regard to the bills proposed.

WASHINGTON, D. C.,
May 3, 1954

Aide-Memoire From the Danish Embassy

On the 31st of March two identical bills, S. 3233 and H. R. 8659 to amend the Merchant Marine Act of 1936, were introduced into Congress.

The tenor of the said bills seems to be that any cargo resulting from a transaction in which the United States Government has had any part whatsoever shall be transported exclusively on privately owned United States flag commercial vessels, unless the Secretary of Commerce after public hearing finds and certifies to the proper Government agency that foreign commerce of the United States will be promoted by permitting the use of foreign vessels or that privately owned United States flag commercial vessels are not available in sufficient numbers or tonnage capacity or at reasonable rates. In any case 50 percent of such cargoes shall be transported on privately owned United States flag vessels to the extent that such vessels are available at fair and reasonable rates. Furthermore it seems to be contemplated in principle to exclude the use of ships registered under the flag of a third country (whether or not this is in accordance with the desire of the consignor and consignee).

It is well known that the Danish Government considers any preferential treatment accorded national flag vessels as a dangerous infringement of the traditional freedom of shipping and trade. Any violation of this principle adversely affects the economy of Denmark, since a considerable part of Danish income of dollars and other foreign exchange is earned by Danish ships participating in international ocean transportation under time-charter and otherwise.

The Danish Government noted with great interest that the "Randall-Commission" three months ago in its recommendations on shipping endorsed the principle of freedom of shipping in proposing that provisions requiring the use of United States flag vessels for shipments financed by loans or grants of the United States Government be repealed. The President's message to Congress on foreign economic policy indicates a similar point of view as the policy of the Administration.

It is the opinion of the Danish Government that the so called "50 percent rule" applied by the United States has already set a dangerous precedent which has done much to encourage similar practices in other countries. A chain reaction set in motion by such policies would eventually, by seriously hampering international shipping, cause material difficulties also to United States

shipping and other interests. Should the proposed legislation, S. 3233 and H. R. 8659, be adopted by Congress, the damaging effects to all parties concerned brought about by such chain reaction will be seriously increased.

For that reason the said two bills have caused grave concern to the Danish Government as already stated at the last meeting of the Working Group of the Sea Transport Committee in Paris. It is hoped that the objections of the Danish Government regarding S. 3233 and H. R. 8659 will be given serious consideration.

WASHINGTON D. C.
May 4, 1954

Aide-Memoire From the Norwegian Embassy

On March 31st, 1954, two bills were introduced into the Congress of the United States, one by Senator Butler and one by Representative Tollefson, with the purpose of making permanent, through amendment of the Merchant Marine Act of 1936, certain principles for U.S. flag participation in the ocean transportation of Government financed cargoes.

The two bills, S. 3233 and H. R. 8659, provide in effect that 100% of cargoes procured, contracted for, or otherwise obtained for the account of the United States, or furnished to, or for the account of any foreign nation, must be carried in U.S. flag ships, and that relief from this requirement is only obtainable if the Secretary of Commerce, after public hearings, finds and certifies that U.S. flag ships are not available in sufficient numbers or in sufficient tonnage capacity etc. In any event at least 50% of such cargoes must be transported on privately owned American ships. It seems likely, however, that the provision for public hearing will, in practice, preclude the participation of other flag ships, even to the extent of 50%, in such shipments.

The bills further provide to restrict the use of ships registered under the flag of a third country, regardless of the desire of the Consignor or the Consignee.

The Norwegian Government is of the opinion that restrictions in the form of cargo preference measures of any kind are detrimental to international trade and commerce. The bills now before Congress represent a most disturbing step in the direction of hampering the free interchange of shipping services which must be international, not bilateral, in character. Barriers set to the free movement of shipping will also tend to increase the cost of ocean transportation.

Should the bills become law, they would have the most serious consequences for the Norwegian economy, because of the peculiar structure of the Norwegian shipping industry. The Norwegian merchant marine has traditionally been engaged to the extent of more than 85% in trading between foreign countries.

The recurrent appearance of more and more restrictive legislation in the shipping field is considered by the Norwegian Government to embody a very dangerous tendency, not only by its direct effect on the operational conditions of international shipping, but also because of the precedent it establishes and because it encourages similar measures by other countries. Such legislation, wherever it originates, can only lead to detrimental consequences for world shipping and world seaborne trade and further generate retaliation. This might also affect adversely the American merchant marine.

The Norwegian Government has noted with interest the recent recommendations by the Commission on Foreign Economic Policy to the President and the Congress to the effect that restrictive measures upon shipping should be loosened rather than tightened. This principle is also subscribed to in the President's program for a foreign economic policy.

The Norwegian Government considers the proposed legislation as contrary to the principles of liberalization and non-discrimination in international trade and shipping which have been adopted by member countries of

the Organization of European Economic Cooperation with the encouragement of the United States Government, and held to be essential to the prosperity and well-being of the free world. It would be regrettable, indeed, if the United States should take steps which would endanger the implementation of these fundamental principles.

It is, therefore, hoped that the United States Government will earnestly consider the Norwegian Government's strong objections and deep concern relative to the proposed legislation.

WASHINGTON, D. C.,
May 4, 1954

Memorandum From the Swedish Embassy

Two identical bills to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in the United States-flag vessel—S. 3233 and H. R. 8659—were introduced into Congress on the 31st of March 1954. The bills reportedly contain a proposal to extend the so-called "50 percent rule" and to enact the new regulation as an amendment of permanent character.

The Swedish Government, which consider the "50 percent rule" now in practice detrimental to the cause of the international freedom of shipping, has noted this new legislative proposal—which does not seem to agree with the recommendations on shipping by the Randall Commission—with great concern. If adopted by Congress, the bills would damage not only Swedish shipping directly but would furthermore set a dangerous precedent for similar protectionist legislation in other countries; American legislation of this kind could thus be expected to be invoked by countries wishing to adopt discriminating shipping policies. Such an international development would evidently cause damaging effects to all parties concerned by seriously hampering international shipping, which probably would tend to increase shipping costs and have other undesirable effects as well.

It is the hope of the Swedish Government that these objections to the proposed legislation will be seriously considered by the United States Government.

WASHINGTON, D. C.,
May 4, 1954

Aide-Memoire From the Netherlands Embassy

With reference to the Bills, S. 3233 and H. R. 8659, recently introduced into Congress to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation in United States' flag vessels of waterborne cargoes in which the United States Government are financially interested either directly or indirectly, the attention of the Secretary of State may be drawn to the views of the Netherlands Government as expressed hereunder.

The principle of the freedom of shipping to compete in free and fair competition in international trade has constantly been maintained as one of the main features of the economic policy of the Netherlands Government. This freedom of shipping is deemed a *sine qua non* for the deployment of the activities of the Merchant Marine of the Netherlands and the efficiency and economic soundness of shipping in general.

The recommendations on this subject in the report of the Commission on Foreign Economic Policy were therefore warmly welcomed by the Netherlands Government as a token of growing understanding in this field and it was sincerely hoped that legislation in accordance with these recommendations would be initiated.

It is noted however with disappointment and concern that the provisions of the bills now before Congress are contrary to the recommendations of the Commission on Foreign Economic Policy and tend to interfere with the

principle to which the Netherlands Government attach such great importance.

This concern is the more sincere since it is to be feared that an example, set by the world's most important maritime nation, will be used all too eagerly by certain other nations as a pretext for introducing discriminatory practices for the benefit of their national Merchant Marine.

Apart from the fact that such measures by other countries will constitute a certain menace to United States Merchant Shipping, their effect on those countries, which depend to a large extent on shipping activities will comparatively be much more severe.

It would seem moreover from the wording of the bills referred to above that the proposed legislation could be applied to transactions of any kind where the United States Government have any interest however remote. If this interpretation should be correct it is to be feared that normal commercial transactions will be greatly affected and discriminatory shipping practices will be introduced in this field as well.

It is for these reasons that the Netherlands Government regret to impart to the Secretary of State their grave concern about the consequences of the bills now before Congress once they have become law.

NETHERLANDS EMBASSY
WASHINGTON, D. C.
May 6, 1954.

Memorandum From the Italian Embassy

a) There are presently pending in Congress two identical bills, S-3233 and H. R. 8659, which aim to the enactment on a permanent basis of legislations for the transportation of a substantial portion of waterborne cargoes on U.S. flag vessels.

b) These bills contain many restrictive features which would appear to be at variance with the foreign trade policies of the Administration, as embodied also in the recommendations of the Randall Commission and, possibly, in violation of non discriminatory provisions included in the Trade and Navigation Treaties stipulated between the United States and other nations, like Italy.

c) The adoption of these bills would broaden and intensify the scope of cargo preference provisions contained in a number of U.S. foreign aid laws, as they would probably affect the transportation also of materials offshore procured, surplus of agricultural commodities, stockpile materials and even goods procured through the guarantee of the convertibility of foreign currencies.

d) Moreover, among the restrictive features are requirements which might easily create a situation according to which the so-called 50-50 principle might become a 100% principle.

e) The Italian Government has always viewed with great concern the application of a clause which might encourage in the maritime countries tendencies and practices of flag discrimination. Italy is a country which is highly dependent on sea-borne trade and as such it has historically been building up a maritime trade and a merchant marine which assure important returns in its balance of payments. Any hardening of the present restrictive practices, which are already dangerous enough as an encouragement to flag discrimination, would make this danger world-wide more acute and would therefore be viewed with the utmost concern by the Italian Government.

f) Moreover, the aggravation of the present practices would decrease the dollar returns which might otherwise be earned by the Italian merchant marine and increase therefore the difficulties that Italy still faces with regard to the dollar deficit of its balance of payments.

WASHINGTON, D. C.,
May 7, 1954.

Aide-Memoire From the Finnish Legation

It has been brought to the knowledge of the Legation of Finland that a bill has been recently introduced in the Senate of the United States by Senator Butler of Maryland with the purpose to provide permanent legislation for the transportation of a substantial portion of Government-financed cargoes in United States-flag vessels by amending the Merchant Marine Act of 1936. A similar legislative action has been taken in the House of Representatives.

The above Senate Bill, S3233, provides in fact that whenever the United States shall procure contract for, or otherwise obtain for its own account, or shall furnish to or for the account of any foreign nation, any equipment, materials, or commodities, such equipment, materials, or commodities shall be transported exclusively on privately-owned United States-flag vessels. The bill stipulates that an exception of this rule can be made only in case the Secretary of Commerce after public hearings finds and certifies that the foreign commerce of the United States will be promoted, or that United States-flag vessels are not available in sufficient numbers or in sufficient tonnage capacity, etc. But, also in this case at least 50 percent of such cargoes shall be transported on privately owned United States vessels to the extent such vessels are available at fair and reasonable rates. The above provision for public hearing will, however, most likely prevent any participation of foreign vessels in these transportations.

In respect of the participation of ships registered under the flag of a third country the bill restricts their use to cases where the consignor and the consignee do not have ships of their own registry available for the purpose.

It is the opinion of the Finnish Government that these bills now introduced in the United States Congress constitute a dangerous attempt to impose new restrictions on the free interchange of shipping services in the international trade. Barriers of this kind will evidently not only increase the costs of ocean transportation, but also lead to similar discriminatory measures taken by other nations in order to protect the interest of their shipping industries. The principle of liberalization of the international trade recommended by the Commission of Foreign Economics Policy and supported by the Government of the United States will certainly not be furthered by the proposed legislation which on the contrary tends to violate the principles of liberalization and non-discrimination which are fundamental for a more free international trade.

In view of the above it is sincerely hoped that the Government of the United States would take appropriate notice of the serious concern of the Government of Finland in respect of the proposed legislation.

WASHINGTON, D. C.,
May 12, 1954.

Note Verbale From the Spanish Embassy

[Translation]

The Embassy of Spain presents its compliments to the Department of State and has the honor to state that bills H. R. 8659 and S. 3233, identically worded, presented on March 31, 1954 to the House of Representatives and the Senate respectively, for the purpose of amending the Merchant Marine Law of 1936, have been viewed with some alarm in Spanish circles interested in the matter.

The reason for this concern is that, if approved, the above-mentioned bills will mean an increase in the use of American freighters, since they would be assigned goods purchased in other countries, agricultural surpluses, and products for the purchase of which any system of United States Treasury assistance is used, including the simple guarantee of convertibility.

This Embassy is aware of the reasons that have led to the presentation of these bills, but at the same time it deems it advisable to state that if these bills become

law the purchasing power of Spain in this market will be appreciably restricted, because of the consequent expected reduction in dollars for payment for services that can be rendered by Spanish ships.

The Embassy of Spain avails itself of the opportunity to renew to the Department of State the assurances of its highest consideration.

WASHINGTON, D. C.,
June 8, 1954.

Status of Former German and Japanese Property

Statement by Secretary Dulles¹

I am happy to have an opportunity to discuss with the Committee the question of the status of former German and Japanese property raised by S. 3423. I think it is appropriate that the Congress should review legislative policy in this field. The seizure and disposition of enemy property was made during and immediately after the war, when feelings were influenced by the events of that period. I think it is useful to have a fresh look at what is being done in the light of changing world circumstances and experience in administering the legislation.

The Department has submitted a letter to the Committee commenting on questions of general principle raised by the bill. I do not wish to go into the matter in detail, but I would like to comment on a few of the aspects of the question.

The policy adopted after World War II of completely eliminating ownership of enemy private property was a departure from historic American policy after other wars. I myself have had some experience in this field, since I worked on these problems in connection with the Treaty of Versailles. I would, frankly, like to see a return to our historic position to the extent that may be possible, although I appreciate that to do so involves considerable difficulties after so long a period of years.

As I have stated in my letter to the Committee, there is no objection from a foreign policy viewpoint to the return as a matter of grace of vested German property or of Japanese property. In point of fact, any action of this character would be welcomed, both by the Governments of the Federal Republic of Germany and of Japan, as an indication of a return to more normal relations, and of course by the owners of the property. I personally feel sympathy for the burdens placed on large numbers of people who had small property holdings in this country representing interests in estates and trusts, from small investments or pensions, life insurance policies, etc. When I last saw

Chancellor Adenauer, after the Berlin Conference, he particularly mentioned this subject to me and pointed out the hardship which our vesting had caused in these cases.

One aspect of the problem to be considered is the status of war claims still outstanding, principally in the form of claims of American citizens against Germany for war damage to property.

Because of the great dislocation of the German economy as a result of the war, the Allied countries decided to look to the German assets in their territories as a principal source for the payment of their claims against Germany. If this approach is to be reversed, the question of unsatisfied claims against Germany would call for consideration.

The situation with respect to Japan is somewhat different, in that we have a peace treaty with Japan, in which there has been provision for the payment of certain claims against Japan and a definitive waiver of the balance.

This is a complicated problem which involves many policy aspects. A good deal of money has already been disbursed and appropriations would be required. Some of these are matters which go beyond the province of the State Department. Insofar as the problem involves matters of foreign policy, I would have no hesitation in recommending adoption of legislation along the general lines of this bill.

ANNEX

Letter From Secretary Dulles to Senator Everett M. Dirksen

JULY 1, 1954

DEAR SENATOR DIRKSEN: I refer to your letter of May 10, 1954 requesting my comments on S. 3423, a bill to amend the Trading with the Enemy Act. This bill would in substance provide for the return, as a matter of grace, of assets vested from nationals of enemy countries, or the liquidated proceeds thereof. The benefits of the Act would not apply to persons convicted of war crimes nor to persons resident in the Soviet zones of occupation of Germany and Austria, or in Albania, Bulgaria, China, Czechoslovakia, Hungary, Poland, Rumania or the Soviet Union.

Pursuant to the Trading with the Enemy Act, as amended, the assets of the governments and nationals of Germany and Japan, and certain assets of the government and nationals of Italy were vested in the United States. Assets of the governments and nationals of Rumania, Hungary and Bulgaria, with which the United States was also at war, were in general not vested but were placed under control. Return of vested Italian assets was authorized by the Congress at the time that an agreement was executed between the United States and Italy (dated August 14, 1947), which

¹ Made before a subcommittee of the Senate Judiciary Committee concerning S. 3423, To Amend the Trading with the Enemy Act, on July 2 (press release 361).

provided for the settlement of various problems arising out of the war, including claims against Italy of American nationals. Claims of American nationals against Rumania, Bulgaria and Hungary, arising out of the war or out of nationalization of property have not been settled. Recommendations regarding these claims and the assets of those countries in the United States are being sent to the Congress separately by the Bureau of the Budget.

In view of the above, I will confine my comments in this letter to the vested German and Japanese assets. Although nearly all assets in the United States of the governments and nationals of these countries have been vested, only part of them have been liquidated. Exact values are difficult to estimate, but the Department understands that approximately \$60 million of property have been vested as being of Japanese ownership and \$450 million as being of German ownership. The finding of enemy ownership has been contested in the case of important properties of substantial value, and the total amount of money which may ultimately be realized from the vesting program is uncertain. However, \$225 million of enemy assets have been liquidated and authorized for payment or paid into the War Claims fund pursuant to existing legislation.

Under the War Claims Act of 1948, Congress has provided for the payment of certain types of claims arising out of the war, principally those for personal injury of prisoners of war and civilian internees. Other war claims have been studied by the War Claims Commission and are dealt with in the two reports of the Commission of May 3, 1950 and January 16, 1953, which have been submitted to the Congress. The claims which have thus far been authorized to be paid have been predominantly against Japan, although as is obvious from the relative magnitude of the assets vested from Japan and Germany, the source of funds has been predominantly German in origin. In fact, the total claims which are estimated to be payable under the War Claims Act of 1948 against Japan (\$130 million) greatly exceed the total value of vested Japanese assets. It follows that German assets have been used to an important extent for the payment of claims against Japan and that any further claims to be paid from the War Claims fund would be almost exclusively from this source.

In addition to the bill to which I have referred, a number of other bills have been introduced in the Congress, some of which would provide for the return of particular categories of German and Japanese assets, while others would provide for the payment of particular categories of claims from the War Claims fund. These bills therefore all represent alternative uses of the funds remaining in the possession of the Government as a result of the vesting of German and Japanese assets. The Department believes that it would be appro-

priate for the Congress to review the question of the disposition of these assets as a whole and to lay down a general policy with respect to the disposition of these assets. In this connection, it desires to submit the following general comments.

There are no foreign policy objections to the return of former enemy assets, or the proceeds of their liquidation, as proposed in S. 3423. Any return which the Congress may see fit to make of assets vested from private individuals and corporations would be consistent with the respect which the United States has traditionally accorded to private property as a general policy and with the practice which has been followed after other wars. The return of such assets would of course be welcomed by the countries concerned. However, it appears from the terms of S. 3423 and from the fact that a significant amount of assets has already been liquidated and disposed of that appropriations would be required to implement the policy proposed in the bill. The amount of appropriations required either from a complete return of German and Japanese assets or for any measure of partial return has not been estimated. In the circumstances, the Department does not feel that it is in a position to endorse any specific proposal for return at this time.

In adopting a policy on this subject, the Congress should take into account the fact that there are unsatisfied claims of American nationals against Germany and Japan. The nature of these claims is indicated in the reports of the War Claims Commission. In this connection, the Department wishes to go on record as being firmly opposed to any further use of former German assets for the purpose of satisfying claims against countries other than Germany.

If the Congress should see fit to provide for a partial rather than full return of vested properties or their proceeds, the Department believes that preference should be given to small property holdings, which would particularly benefit individuals who had life insurance policies, pensions, interests in estates, social security benefits, bank accounts and real property holdings and would spread the benefits of a return widely among the former owners of the assets.

Regardless of what policy is followed with respect to vested assets in general, the Department believes that the return of vested trademarks and copyrights is particularly desirable. At the request of the Department, the Office of Alien Property on December 19, 1952 released from blocking German and Japanese trademarks which had not previously been vested. However, it continues to hold about 400 vested trademarks and 500,000 vested copyrights which cannot be released without new enabling legislation. Particularly in the case of Germany, the trademarks are important to export trade with the United States, and return of copyrights would eliminate a point of friction in our cultural relations.

With respect to governmental property, which is excluded from the scope of the bill, it may be noted that American practice prior to World War II has been to respect property of a diplomatic character. The Treaty of Peace with Japan specifically excepts diplomatic and consular property from the right of seizure of Japanese assets granted to the Allied powers. In this connection, the Department is aware of the fact that a bill, S. 1573, has recently been passed by the Senate which would provide for the payment of \$300,000 to the Federal Republic of Germany for the construction of a new Embassy in Washington in lieu of the former German Embassy which has been vested and sold. It should also be noted that in the case of Italy previous legislation providing for the return of Italian assets did not exclude governmental property from the return. (It may in fact, be necessary to reconcile the provisions of this bill with such previous legislation.)

In the event that Congress should see fit to provide for return of German and Japanese assets, it may be appropriate to work out some of the terms and conditions with the governments of the Federal Republic and of Japan. Negotiations would also probably be required with other governments with which the United States has concluded agreements for the resolution of inter-custodial conflicts. There are various other practical and technical problems involved in a policy of return, a number of which are raised by the bill under reference. The Department believes that these aspects of the question can be best considered once a general policy is determined and would be pleased to submit its comments on them at a later date.

I am sending a similar letter to Senator Langer, Chairman of the Committee on the Judiciary, who has also requested my comments.

I have been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

JOHN FOSTER DULLES

Current Legislation on Foreign Policy: 83d Congress, 2d Session

Departments of State, Justice, and Commerce and United States Information Agency Appropriations, 1955. Hearings before the Subcommittee of the Senate Committee on Appropriations on H. R. 8067, Making Appropriations for the Departments of State, Justice, and Commerce and the United States Information Agency for the Fiscal Year Ending June 30, 1955. Part 1, March 22-April 22, 1954, pp. 1-1137.
The Mutual Security Act of 1954. Hearings before the House Committee on Foreign Affairs. April 5-June 8, 1954, 1200 pp.
Universal Copyright Convention and Implementing Legislation. Hearings before a Subcommittee of the

Senate Committee on Foreign Relations and a Subcommittee of the Senate Committee on the Judiciary on Executive M, 83d Congress, 1st Session, the Universal Copyright Convention and S. 2559, a Bill To Amend Title 17, United States Code, Entitled "Copyrights." April 7 and 8, 1954, 208 pp.
Departments of State, Justice, and Commerce and the United States Information Agency Appropriations, 1955. Hearings before the Subcommittee of the Senate Committee on Appropriations on H. R. 8067. Part 2, April 26-May 18, 1954, pp. 1139-2263.
Report on Audit of Export-Import Bank of Washington for the Fiscal Year Ended June 30, 1953, transmitted by the Acting Comptroller General of the United States. H. Doc. 372, April 26, 1954, 20 pp.
Cargo Preference Bill (50-50 Cargo). Hearings before a Subcommittee of the Senate Committee on Interstate and Foreign Commerce on S. 3233, A Bill To Amend the Merchant Marine Act, 1936, To Provide Permanent Legislation for the Transportation of a Substantial Portion of Waterborne Cargoes in United States-flag vessels. May 5-24, 1954, 143 pp.
Universal Copyright Convention. Report of the Committee on Foreign Relations on Executive M, 83d Congress, 1st session. S. Exec. Rept. 5, June 11, 1954, 27 pp.
Trade Agreements Extension. Report to accompany H. R. 9474. S. Rept. 1605, June 16, 1954, 4 pp.
Restoring VA Benefit Rights to Certain Residents of Japan and Germany. Report to accompany S. 3153. S. Rept. 1601, June 16, 5 pp.
Providing Relief for the Sheep-raising Industry by Making Special Nonquota Immigration Visas Available to Certain Skilled Alien Shepherders. Report to accompany S. 2862. S. Rept. 1600, June 16, 1954, 4 pp.
Customs Treatment of Wood Dowels. Report to accompany H. R. 2763. S. Rept. 1602, June 16, 1954, 2 pp.
Amending Paragraph 1530 (e) of the Tariff Act of 1930. Report to accompany H. R. 6465. S. Rept. 1606, June 16, 1954, 3 pp.
Copper Import-tax Suspension. Report to accompany H. R. 7709. S. Rept. 1608, June 16, 1954, 2 pp.
Extension on a Reciprocal Basis of the Period of the Free Entry of Philippine Articles in the United States. Report to accompany H.R. 9315. H. Rept. 1887, June 17, 1954, 3 pp.
Convention with Belgium Relating to Taxes on Estates and Successions. Message from the President Transmitting a Convention between the United States of America and Belgium for the Avoidance of Double Taxation and the prevention of Fiscal Evasion with Respect to Taxes on Estates and Successions, Signed at Washington on May 27, 1954. S. Exec. G, June 22, 1954, 10 pp.
Supplementary Protocol with the United Kingdom Relating to Taxes on Income. Message from the President Transmitting the Supplementary Protocol between the United States of America and the United Kingdom of Great Britain and Northern Ireland, Signed at Washington on May 25, 1954, Amending the Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income. Signed at Washington on April 26, 1945, as Modified by the Supplementary Protocol Signed at Washington on June 6, 1946. S. Exec. H, June 22, 1954, 5 pp.
Mutual Security Program. Message from the President Transmitting Recommendations Relating to the Mutual Security Program. H. Doc. 449, June 23, 1954, 4 pp.
Study of Technical Assistance Programs. Report to accompany S. Res. 214. S. Rept. 1628, June 23, 1954, 2 pp.
Permitting Free Entry of Articles Imported from Foreign Countries for the Purpose of Exhibition at the

July 12, 1954

First International Instrument Congress and Exposition, Philadelphia, Pa. Report to accompany H. J. Res. 256. H. Rept. 1920, June 24, 1954, 2 pp.

Permitting Free Entry of Articles Imported from Foreign Countries for the Purpose of Exhibition at the Washington State Fourth International Trade Fair, Seattle, Wash. Report to accompany H. J. Res. 53. H. Rept. 1921, June 24, 2 pp.

Permitting Free Entry of Articles Imported from Foreign Countries for the Purpose of Exhibition at the International Trade-sample Fair, Dallas, Tex. Report to accompany H. J. Res. 545. H. Rept. 1922, June 24, 1954, 1 p.

Mutual Security Act of 1954. Report of the Committee on Foreign Affairs on H. R. 9678, a Bill To Promote the Security and Foreign Policy of the United States by Furnishing Assistance to Friendly Nations, and for Other Purposes. H. Rept. 1925, Part 1, June 25, 1954, 113 pp.

Mutual Security Act of 1954. Minority views to accompany H. R. 9678. H. Rept. 1925, Part 3, June 25, 1954, 9 pp.

Mutual Security Act of 1954. Report of the Committee on Foreign Affairs on H. R. 9678. H. Rept. 1925, Part 2, June 25, 1954, 100 pp.

Expressing the Sense of Congress on Interference in Western Hemisphere Affairs by the Soviet Communities. Report to accompany S. Con. Res. 91. S. Rept. 1633, June 25, 1954, 2 pp.

Amending Certain Provisions of Part II of the Interstate Commerce Act To Provide for the Regulation for Purposes of Safety and Protection of the Public, of Certain Foreign Motor Carriers Operating in the United States. Report to accompany H. R. 7468. S. Rept. 1650, June 28, 1954, 3 pp.

Authorization for Sale of Passenger-Cargo Vessels. Report to accompany S. J. Res. 161. S. Rept. 1645, June 28, 1954, 5 pp.

Agricultural Trade Development and Assistance Act of 1954. Conference report to accompany S. 2475. H. Rept. 1947, June 29, 1954, 10 pp.

Authorizing the President of the United States of America To Proclaim the First Sunday of Each Month for a Period of 12 Months for Prayer for People Enslaved Behind the Iron Curtain. Report to accompany S. J. Res. 169. S. Rept. 1659, June 29, 1954, 1 p.

Naturalization of Former Citizens of the United States Who Have Lost United States Citizenship by Voting in a Political Election or Plebiscite Held in Occupied Japan. Report to accompany S. 1303. H. Rept. 1948, June 29, 1954, 5 pp.

Amending the Foreign Agents Registration Act of 1938, As Amended. Report to accompany S. 37. S. Rept. 1694, June 29, 1954, 7 pp.

Departments of State, Justice, and Commerce, and the United States Information Agency Appropriation Bill, 1955. Conference report to accompany H. R. 8067. H. Rept. 2000, June 29, 1954, 8 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Copyrights

Universal copyright convention and three related protocols.¹ Done at Geneva September 6, 1952.
Senate advice and consent to ratification: June 25, 1954.

¹ Not in force.

International Court of Justice

Statute of the International Court of Justice (part of the United Nations Charter signed at San Francisco June 26, 1945). 59 Stat. 1055; TS 993.
Renewal deposited (of declaration under article 36 recognizing compulsory jurisdiction): Honduras, May 24, 1954.

Postal Matters

Universal postal convention, with final protocol, annex, regulations of execution; and provisions regarding air-mail and final protocol thereto. TIAS 2800. Signed at Brussels July 11, 1952. Entered into force July 1, 1953.
Ratification deposited: Ireland, May 26, 1954.

Telecommunications

International telecommunication convention and six annexes. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954.²
Ratification deposited: Cuba, May 19, 1954.

War

Geneva convention relative to treatment of prisoners of war;
 Geneva convention for amelioration of the condition of the wounded and sick in armed forces in the field;
 Geneva convention for amelioration of the condition of wounded, sick and shipwrecked members of armed forces at sea;
 Geneva convention relative to protection of civilian persons in time of war.
 Dated at Geneva August 12, 1949. Entered into force October 21, 1950.²
Ratification deposited: Rumania, June 1, 1954.

BILATERAL

Greece

Treaty of friendship, commerce and navigation. Signed at Athens, August 3, 1951.
Ratified with reservation: United States, June 24, 1954.

Ireland

Agreement governing the disposition of the balance in the counterpart special account. Signed at Dublin June 17, 1954. Enters into force upon exchange of ratifications. The agreement is subject to approval for the United States by an act or joint resolution of Congress.

Panama

Agreement for a cooperative program of economic development, pursuant to general agreement for technical cooperation dated December 30, 1950 (TIAS 2167). Signed at Panamá May 11, 1954. Entered into force May 11, 1954.

Peru

Agreement providing special technical services between the United States and Peru, pursuant to the general agreement for technical cooperation of January 25, 1951 (TIAS 2772), as amended. Signed at Lima April 13, 1954. Entered into force May 21, 1954.

United Kingdom

Agreement concerning a special program of facilities assistance pursuant to the mutual defense assistance agreement of January 27, 1950 (TIAS 2017). Effected by exchange of notes at London June 8 and 15, 1954. Entered into force June 15, 1954.

² Not in force for the United States.

THE DEPARTMENT

PUBLICATIONS

Confirmations

The Senate on June 18 confirmed the nomination of Isaac W. Carpenter, Jr., to be Assistant Secretary of State.

The Senate on June 28 confirmed Charles E. Saltzman to be Under Secretary of State for Administration.

FOREIGN SERVICE

Assignment of Director General

Department Circular 108 dated June 30

The Director General of the Foreign Service is assigned, effective immediately, to the Office of the Under Secretary for Administration. In a staff capacity, he will advise and assist in the formulation and implementation of policies governing the administration of the Foreign Service.

JOHN FOSTER DULLES

Retirement

Burton Yost Berry, Ambassador to Iraq, effective June 30 (press release 354 dated June 29).

Appointment

Joseph B. Phillips, Deputy Assistant Secretary for Public Affairs, as Director of Public Affairs, Office of the High Commissioner for Germany (see U.S. Information Agency press release dated June 25).

Consular Offices

The Consulates of Chihuahua, Mazatlán, Reynosa, and San Luis Potosí, Mexico, were closed to the public June 15, 1954, and will be closed officially June 30, 1954.

The functions and consular districts are being transferred as follows:

From	To
Chihuahua	Ciudad Juárez
Mazatlán	Nogales
	Guadalajara
Reynosa	Matamoros
San Luis Potosí	Monterrey
	Guadalajara
	Mexico City

Foreign Relations Volume

Press release 336 dated June 21

Nearly 1,000 pages of documents on the beginning and early stages of the undeclared war between Japan and China were released on June 26 by the Department of State in *Foreign Relations of the United States, 1937, Volume III, The Far East*. The greater part of this material is in seven chronological chapters giving an account of political and military developments for the year. Other chapters deal with efforts to maintain the integrity of the Chinese Maritime Customs and Salt Revenue Administrations, developments in "Manchoukuo," and consideration of neutralization of the islands of the Pacific or a general Pacific pact of nonaggression.

During the first half of 1937 there was a continuing deadlock in Chinese-Japanese relations. Ambassador Nelson T. Johnson reported, however, that under Japanese pressure and the leadership of Chiang Kai-shek there was developing on the part of the Chinese a realization of the necessity for unity if China was to survive as a nation and that a measure of unity had already been achieved (pp. 87-91). From Japan, Ambassador Joseph C. Grew reported that Naotake Sato as Minister for Foreign Affairs had made "a very bold and courageous attempt to persuade Japan to adopt more liberal and conciliatory foreign policies" but that under existing conditions his attempt was practically hopeless (pp. 48-52). Mr. Grew noted indications that Japan was changing its methods from forceful aggression to friendship and economic cooperation, although there was doubt that Japan's basic policy to dominate China and the whole Far East south of Siberia in one way or another had changed (pp. 96-100). Secretary of State Cordell Hull expressed concern at reports that the British Government might be willing to recognize that Japan had a "special position" or "special interests" in China (pp. 103-104). On July 1 the Chinese Foreign Minister, Wang Chung-hui, informed Ambassador Johnson that he did not expect any further Japanese aggression for the time being and that during the lull the Chinese Government would strengthen its defenses in anticipation of a resort to force in defense of its rights (pp. 125-126).

Ambassador Johnson and Ambassador Grew were in agreement in reporting their belief that the Japanese military did not deliberately plan the clash at Marco Polo Bridge on July 7 which

precipitated the undeclared war. They were convinced, however, that the conduct of the Japanese military forces was responsible for the conditions which led to the fighting and that the Japanese Army did seize the incident as an occasion for extending Japanese power in North China (pp. 170-171, 251-253, 432-437).

The British Government proposed a "united front" with the United States in efforts to avert hostilities but this suggestion was rejected in favor of "parallel action" (pp. 226-228, 235-236). The two Governments urged upon both sides that they should avoid hostilities.

Ambassador Johnson believed that nothing could save China from the necessity of deciding whether to oppose Japanese aggression with force or become a vassal state and urged that China should not be advised to yield (pp. 385-386). Further moves by the Japanese military met strong resistance from the Chinese and the conflict soon spread to a full-sized war. With this development, Mr. Johnson telegraphed on September 6: "If the powers fail to condemn this brutal, unscrupulous and merciless blotting out of Chinese Government control within its own territories the reaction within China may well be disastrous." He warned that the time was coming when "we must consider whether we are to abandon all hope of saving something, even our self-respect, from the wreckage of 150 years of cultural and commercial efforts in China" (pp. 513-514).

Ambassador Grew expressed full agreement with Ambassador Johnson as to the necessity of Chinese resistance but urged that the United States should not forfeit Japanese friendship by condemning Japan's policy toward China on moral or legal grounds (pp. 485-488). In reply, Secretary of State Cordell Hull expressed doubt that the United States could make it a definite objective to solidify relations with Japan as Mr. Grew had suggested while pursuing the fundamental objectives upon which he and Mr. Grew were in agreement. Mr. Hull desired it to be fully understood by Japan that the U.S. Government disapproved its foreign policy and the methods the Japanese military were pursuing (pp. 505-508). Ambassador Grew explained in a letter of September 15 to Secretary Hull that he agreed with the course of action so far pursued by his Government but again urged that an effort be made not to create antagonism among the Japanese by public censure and thus weaken the influence of the United States with Japan (pp. 525-530). In a dispatch of October 2 he elaborated on the benefits of such a policy (pp. 574-577).

On October 6, Ambassador Grew drafted a fur-

ther telegram contrasting the American policy of "independent action to protect rights and interests in China" with the "British effort to create a common front against Japan," the former retaining Japanese friendship while the latter had forfeited it. Before this telegram was sent, President Roosevelt delivered his "quarantine speech" at Chicago on October 5. Mr. Grew felt this speech rendered his telegram "superfluous" at that date but he forwarded it in a dispatch as a matter of record (pp. 590-593).

A report that the Japanese Emperor was prepared to intervene and to be guided by the advice of the Prime Minister and Foreign Minister rather than by the military was received by Eugene H. Dooman of the Embassy at Tokyo on December 14, but on the same day a further report indicated that the Prime Minister, Prince Konoye, had become much alarmed by such a drastic step and Mr. Dooman was told to consider the earlier conversation as not having taken place (pp. 809-810).

Ambassador Johnson telegraphed on December 21 his view that "The real policy of Japan in China is planned and executed by the Japanese Army which is guided only by its careful estimate of the military obstacles to be expected and ignores as entirely irrelevant the protests of foreign governments and the promises of Japanese diplomats, neither of which the army believes has any bearing on its purely military problems. The undoubtedly friendly feeling of the Japanese people and Foreign Office for the American people has thus far had no effect on the policy of the Japanese Army in China" (p. 826).

On the last day of the year, President Roosevelt received an urgent appeal for help from Chiang Kai-shek (pp. 832-833).

References to Communist activities in China are numerous in this volume. Japanese pressure brought some degree of cooperation between the Communists and the National Government, and the Soviet Government found it to its interests to give aid and encouragement to China to some extent while avoiding becoming involved against Japan. The Chinese Communist forces were organized into government forces as the Eighth Route Army and it was reported that the Communists had forsworn their communistic activities (pp. 376-377, 479, 522, 548-549, 837-838). Mr. Loy W. Henderson, Chargé in the Soviet Union, reporting on September 20 regarding Sino-Soviet relations, expressed the view that the Chinese Communists would not fail to take advantage of the situation to strengthen their influence in China and that the Soviet Government realized that Chiang Kai-shek fully understood the ultimate objectives of Soviet policies in the Far East (pp. 537-541).

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Releases may be obtained from the News Division, Department of State, Washington 25, D. C.

Press releases issued prior to June 28 which appear in this issue of the BULLETIN are Nos. 336 of June 21 and 352 of June 26.

No.	Date	Subject
353	6/28	Dreier: Council of OAS
354	6/29	Burton Berry's retirement (rewrite)
*355	6/30	International Claims Commission report
356	6/30	ANZUS meeting
357	6/30	Dulles: Report on Guatemala
358	7/1	Brazil's lend-lease payment
359	7/1	Dulles, Muniz statements
360	7/1	Conference on physics
361	7/2	Dulles: Alien property
*362	7/2	Educational exchange
363	7/2	Note to Israel and Jordan

*Not printed.



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A number of issues tended to strain relations with the Nazi Government of Germany in 1937. Persecution of the Jews continued with additional restrictive measures being applied. Trade relations were unsatisfactory. The German Government made representations against derogatory remarks by Mayor La Guardia of New York about Hitler.

Among many matters of diplomatic concern in the Near East recorded in this volume were the Montreux Conference for the abolition of capitulations in Egypt, the withdrawal of American diplomatic and consular representatives from Ethiopia which was under Italian occupation, the grant of an oil concession by the Iranian Government to the Amiranian Oil Company, proposed abolition of capitulatory rights of the United States in the French Zone of Morocco, and interest of the United States in British proposals for the partition of Palestine between Arabs and Jews.

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Vol. XXXI, No. 786

July 19, 1954



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The Department of State bulletin

VOL. XXXI, No. 786 • PUBLICATION 5537

July 19, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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52 issues, domestic \$7.50, foreign \$10.25
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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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Economic Bases of United States-Latin American Relations

by Edward G. Cale

Director, Office of Regional American Affairs¹

The United States and the Latin American countries are bound together by many ties. These include ties of geography and of history. We also share common ideals. Furthermore, our interests are such that we have customarily found ourselves holding essentially the same views on important political issues. I am sure that close cooperation between ourselves and our sister Republics will continue, not because we do not often have differences of opinion, but because it will continue to be in our mutual interest to cooperate and to resolve our differences in a spirit of understanding and accommodation.

Cooperation between the United States and the other American Republics rests on strong economic bases which are likely to be of an enduring nature. The principal economic bases of U.S. relations with Latin America today are our trade, our private financial relations, and our public financial relations.

Our trade of nearly \$7 billion annually is divided almost equally between imports and exports. Our exports to Latin America are equivalent to about 1 percent of our national income and represent about 20 percent of our total exports. Their exports to us are equivalent to about 8 percent of their national income and represent about 50 percent of their total exports.

Our private financial relations involve direct private U.S. investments in Latin America in the amount of approximately \$6 billion. Such investments have flowed into Latin America since the Second World War at the average annual rate of approximately \$250 million. In addition, private earnings of U.S. companies in Latin America have been reinvested, rather than being returned to the United States, at the average annual rate of approximately \$190 million. Thus U.S. private investment in Latin America has been increasing at the average annual rate of about \$440 million per year.

¹Address made before the Indiana University Conference on Problems of American Foreign Policy, Bloomington, Ind., on July 9 (press release 373 dated July 8).

Our public financial relations are conducted through membership in the International Bank and directly through our own Export-Import Bank. The net flow of loan funds (disbursements less repayments) from these two institutions into Latin America has averaged approximately \$93 million per year since World War II, of which approximately $\frac{3}{4}$ has been supplied by the Export-Import Bank. The dollar exchange which the Latin American countries receive from their trade with us and from our private investment and loans provides them with the means of obtaining capital equipment in this country and of servicing dollar investment and loans which they need to carry out their economic development programs. Some of this exchange is also used by them to meet their daily requirements for such food and other consumer goods as they need to import from abroad.

Favorable trade and financial relations have helped the Latin American countries to achieve a really remarkable rate of economic progress in recent years. Of major importance in these relations has been the large demand and favorable prices for Latin American export commodities. Between 1939 and 1952 the prices of their exports had risen so much more rapidly than the prices of their imports that they would have been able to buy more than twice the physical volume of goods in 1952 with the 1939 volume of exports.

In calling attention to this fact I do not wish in any way to minimize the industry, intelligence, and ingenuity that our Latin American neighbors have devoted to the progress which they have achieved during this period. I merely wish to note that favorable price relations facilitated their efforts.

The following are some indications of the really remarkable progress which they have made since the Second World War: Population is increasing in Latin America, on the average, at a rate of from 2 to $2\frac{1}{2}$ percent per annum—more rapidly than in most other areas of the world. But national income has been expanding at a considerably more

rapid rate so that there has been a very substantial increase in per capita income. Output of goods and services has been substantially in excess of population growth. The per capita rate of increase of output of goods and services since the war has been around $3\frac{1}{2}$ percent per year. Living standards have been raised appreciably as a result, but not all of the increased output has gone into increased consumption. Economic development requires that capital be accumulated, and capital accumulation in Latin America since the close of the Second World War has been exceptionally intense, the investment rate approximating 16 percent of total national income. This compares favorably with the record of even highly industrialized countries. The stock of capital per worker has increased on the average of from \$1,177 in 1945 to \$1,409 in 1952, an increase of more than 25 percent. The outstanding feature of this development has been the expansion in manufactures. The value of manufactures increased from \$6.8 billion in 1945 to \$11.4 billion in 1952. This is an increase of better than 70 percent in 7 years. The value of manufactures surpassed the value of agricultural output in Latin America in 1947 for the first time and has outranked it ever since. The fact that these increases are measured from a very low initial base does not detract from, but rather emphasizes, the achievement of the other American Republics during this period.

Latin American officials are at present seriously concerned over the possibility that they may not be able to sustain this rapid rate of economic progress. In some ways the outlook for doing so is not especially good, owing to a decline in the demand for, and falling prices of, a considerable number of their export products such as tin, copper, lead, and zinc. Faced with a shrinking demand and declining prices, our Latin American neighbors are understandably concerned over the situation. They are determined to continue their recent rate of progress and to assure their economic development. The United States is, of course, not in a position to underwrite the development of Latin America or the other underdeveloped areas. We do not have the means at our disposal required for such an undertaking. Furthermore, I do not believe that our good neighbors to the south really want us to do so. They are a proud, self-reliant, and self-respecting people, and I am sure that they believe that they are largely capable of meeting their current problems themselves. In addition, the Latin Americans not only have the will to meet their problems, they possess the resources to do so and to support a much higher level of economic activity than they now enjoy.

What Latin Americans Want

They are especially interested, however, in action which we may be prepared to take to help them: (a) stabilize the prices of their exports, (b)

afford them the freest possible access to our market for such exports, and (c) finance the foreign currency costs of their economic development projects. I should like to discuss briefly each of these subjects.

PRICES

The economic situation in most of the Latin American countries depends to a large degree upon conditions under which a relatively few of their commodities are sold in international trade. Most of the Latin American countries are heavily dependent on one, or at best three or four, raw materials and foodstuffs. For example, tin is the bellwether in Bolivia; nitrates and copper in Chile; sugar in Cuba; coffee in Brazil, Colombia, El Salvador, and Guatemala; meat and wool in Uruguay; petroleum in Venezuela; and lead and zinc in Mexico and Peru.

The state of the export trade in these few commodities has a direct and major effect upon employment and upon economic activity generally. They supply an overwhelming part of the dollar exchange required for the purchase of capital equipment in the United States and for servicing the dollar indebtedness and equity investment. They are the means to economic development.

The Latin American countries have therefore suggested that the United States help maintain a fixed and favorable relationship (from their viewpoint) between the prices of the products which they export and the prices of the products which they import. We have not been able to agree to such an undertaking. Even with the decline that has occurred in the prices of many of their export commodities in the last year or two, they are, in general, still favorably priced. Some, such as coffee and cocoa, are very favorably priced.

Furthermore, an undertaking to maintain a fixed relationship, on a worldwide basis, between the prices of raw materials and the prices of manufactured goods would undoubtedly be impossible of fulfillment. It would involve very extensive controls over the production and trade of all of the participating countries. The complexity of an undertaking of this nature is suggested by the problems that we have had in this country in maintaining our agricultural price supports, resulting as they have in recurring surpluses.

The United States, however, is very conscious of the problem faced by the Latin American countries as a result of the fact that their prosperity depends to so great an extent on such a limited number of commodities. We believe, furthermore, that there is a constructive contribution which the United States can make toward maintaining greater stability in world prices. A number of ways by which we can do this were indicated by the Randall Commission. These include:

1. Measures tending to relieve or remove im-

pediments to U.S. foreign trade and to encourage other countries to move in the same direction, a matter which I will discuss in greater detail later.

2. Encouragement of diversification of the economies of the countries now dependent upon a small number of products, and encouragement of the governments of those countries to pursue policies likely to attract foreign investors to participate in the work of diversification.

3. Policies which will temper the fluctuations of our domestic economy, which exert a great influence upon the course of world prices.

The President, as you know, has indicated his determination not to permit the development in this country of any material decline in the rate of economic activity. In view of the fact that approximately 50 percent of Latin American exports are sold in the United States, this determination should be of very great significance to them. In addition, the President has announced the initiation of a new "long-term" stockpiling program and has directed the Office of Defense Mobilization to review objectives for 35 to 40 minerals in the light of broader terms of reference. In acquiring metals and minerals under this new security program, preference will be given to newly mined metals and minerals of domestic origin. The program will, nevertheless, have indirect benefits to the mining industries of other areas, including Latin America. To the degree that the U.S. Government buys and stockpiles domestic materials, these materials will be withheld from exerting a generally depressing effect on world commodity markets.

TRADE

Since the United States takes about 50 percent of all the goods exported by the Latin American countries, it is only to be expected that they should have a great interest in the tariff policy which we pursue. Especially at a time such as the present when they face declining prices for many of their exports, and when they know that without profitable two-way trade with the United States they cannot hope to maintain their standards of living, which despite all the advances they have made are on the average still very low by comparison with ours, the trade policy which we adopt is of very great significance to them. Their anxiety is particularly acute at present because there are a number of commodities which are of major importance to one or more of the Latin American countries concerning which there have for some time been almost continuous threats of tariff increases or other restrictions.

These commodities include petroleum, upon which the economic prosperity of Venezuela depends and which at present underlies a very favorable trade relationship between the United States

and Venezuela. Last year 90 percent of Venezuela's foreign exchange came from petroleum and 24 percent of all its petroleum exports came to the United States. They include lead and zinc which together last year accounted for about 22 percent of the export trade of Mexico, 16 percent of that of Peru and 11 percent of that of Bolivia.

We imported about 1,050,000 barrels a day of petroleum products in 1953, to meet a consumption requirement of about 8 million barrels a day. In other words, imports supplied about 12 percent of our consumption. There are bills now before Congress which would shut out $\frac{4}{5}$ of our current imports of residual fuel oil, which comes principally from Venezuela, and which would severely restrict imports of other crude petroleum products. Some would oblige the Tariff Commission to impose quotas or increase duties whenever injury can be shown to any domestic producer.

Lead is now subject to a duty of $1\frac{1}{16}$ cents per pound or about 8.2 percent of the 1953 price, and zinc is now subject to a duty of $\frac{7}{10}$ cents per pound or about 8.8 percent of the 1953 price. There are proposals now under consideration which would more than double the duties on both of these commodities.

The reason for these various proposals is the fact that the postwar reduction in demand has, in some cases, adversely affected our producers, just as it has Latin American producers of the same commodities. To the extent that the proposals would be effective, however, they would improve the position of our producers by further worsening theirs. There is probably nothing in our economic relations with the Latin American countries at the present time that is as critical as the action we take on these commodities. To the extent that relief to our domestic producers of the commodities involved is warranted, it would be highly desirable from the viewpoint of our inter-American relations for it to be provided in some way that would not restrict imports. Such relief would, furthermore, be consistent with the President's message to the Congress on March 30 transmitting the report of the Commission on Foreign Economic Policy.² In supporting the Commission's recommendation on assuring raw materials for defense, the President stated that he believed that it is normally sound that "domestic sources for raw materials required for military purposes should be assured by direct means and not by tariffs and import quotas."

This is, however, only one part of the total picture of our trade relations with the other American Republics. There are courses of action in the trade field which they are now pursuing which are harmful to their economic relations with us and which they seek in part to justify by allegations of various kinds as to the trade policy of this country. For example, the criticism is often made in Latin

² BULLETIN of Apr. 19, 1954, p. 602.

America that we do not wish them to industrialize. In support of this position it is pointed out that our tariffs are higher on semimanufactured and manufactured products than on raw materials, thus making it more difficult for them to process their raw materials before exporting them to us. They also maintain that they need tariff protection for their young industries and argue that the United States grew to industrial greatness with the help of tariff protection for its industries. They therefore state that the United States should unilaterally reduce its duties on imports from Latin America while agreeing that they maintain or increase their tariffs on imports from the United States.

It must be admitted that our tariffs do make it harder for the Latin Americans to sell semiprocessed and processed goods to us than to sell us raw materials. In general, however, the tariff treatment accorded by the United States to imports from Latin America is very favorable. Approximately $\frac{4}{5}$ of such imports are on the free list and they are therefore not subject to duty. Furthermore, the average rate of duty on dutiable imports from Latin America is generally very low. In 1953 it was 8.4 percent. In addition, during the past 20 years the United States has probably done more than any major trading country of the world to reduce its tariffs. During the same period, the Latin American countries have increased their tariffs, especially on manufactured products. They have also instituted a large number of other restrictions on imports which are often more restrictive than tariffs. Some of them have export taxes on raw materials which do not apply to manufactured goods. Many of them have multiple exchange rate systems which, at times, have the effect of giving greater encouragement to the exportation of manufactured products than to the exportation of raw materials.

With reference to the effect which trade policy may have had on the industrial growth of the United States, to which our Latin American friends refer, it appears much more likely that the development of our industry in a very large free trade area of 48 states, in which competitive conditions prevailed, was much more important than the fact that our industries were protected against imports from other countries.

In view of considerations such as these, the position of the United States is that while we are prepared, subject to approval by Congress of adequate authority, to negotiate with the Latin American countries, as with other countries, for a reasonably orderly and reciprocal reduction of trade barriers, we are not prepared unilaterally to reduce our tariffs. At the same time, we are willing to examine sympathetically with our Latin American neighbors specific situations where they believe that their industrial development is being retarded by a lack of tariff protection. In doing so, we believe that they will be influenced by the

fact that in order to provide increased real income for their growing populations they must increase their economic productivity and that encouraging industry to develop under competitive conditions is an effective means to this end.

FINANCING DEVELOPMENT

It is estimated that over 90 percent of the funds that have gone into economic development in Latin America in recent years have been supplied from Latin America's own savings. The remainder has been supplied by foreign investors, private and public. It is, of course, upon Latin American savings that the other American Republics must continue primarily to rely for economic development funds. The United States has, however, been a significant source of foreign capital. The increase of U.S. direct private investment in Latin America of approximately \$440 million per year since the Second World War has helped to finance a considerable portion of the foreign currency costs of their economic development. Loans of the Export-Import Bank and the International Bank have also helped supply Latin America's needs for capital goods from abroad.

United States private capital would undoubtedly be available to the Latin American countries in a much larger volume if they wanted it and deliberately tried to attract it. Private capital could be made available by the United States on a much larger scale than could public capital. Measured against domestic private investment in the United States, our private investment in Latin America is exceedingly small. The \$6 billion of direct private investment which we have made in Latin America, and which has been built up to this figure over a period of many years, is actually small by comparison with domestic private investment in the United States during any one year. For example, it is small in comparison with domestic private investment in the United States during 1953 in the amount of \$55.7 billion.

The Latin American countries would undoubtedly gain much from the investment of further U.S. private capital. To them it would mean increased economic development with the many benefits that it brings. In terms of increased income, however, the U.S. investor has little to gain by investing in Latin America. In fact one of the principal reasons why additional U.S. capital does not flow into the Latin American countries is the existence of opportunities in the United States for investing exceedingly large sums of capital at rates of return which are almost as high, and in some cases higher, than the rates that could be earned in Latin America. In certain fields, such as public utilities, the average rate of return earned by private capital in the United States is considerably higher than in Latin America and it is difficult to see how there can be any substantial flow of pr

vate investment funds into such fields until the situation is radically altered.

There are also at present a number of basic attitudes which are widely held in Latin America that would have to be overcome before the flow of United States private capital could be materially increased. For example, it is often alleged that U.S. capitalists are invading the Latin American countries, are attempting to control them, and do not wish them to become industrialized because we wish them to be merely a source of raw materials and a market for industrial products. As I have indicated earlier, the amount of U.S. private capital flowing into Latin America is exceedingly small in comparison with the amount invested domestically in the United States. With respect to the allegation that U.S. corporations seek to exercise control over the Latin American countries, it may be pointed out that on a per capita basis U.S. investment in Canada is approximately 10 times as great as in Latin America and that our neighbors to the north would resent and know to be untrue the allegation that our investments influence their economic life.

Record of U.S. Business

Although there were undoubtedly abuses in the past, the record of U.S. business in Latin America has been increasingly good. It is upon the Latin American governments, rather than upon our own, that the responsibility devolves for seeing that any remaining abuse is checked and that business in their countries is conducted in the national interest. Today, I believe that it is a fact that foreign business in Latin America is more sinned against than sinning and that in some sectors several of the Latin American governments have gone so far in harassment and restrictive measures as to discourage further investment which could materially facilitate their economic development. It is, however, for them, rather than for us, to determine the rate at which investments should flow into their countries and we have no desire to encourage capital to go into countries where it is not wanted.

With reference to the allegation that we do not wish the Latin American countries to industrialize, to which I also made references earlier in discussing trade problems, it might be pointed out that much of the private capital that is now going into Latin America is going into industrial undertakings. Furthermore, as a government, we have steadily sought to promote the industrialization of Latin America and have applauded their progress in this field. Since the Export-Import Bank was established in 1934, it has made loan commitments to the Latin American countries of more than \$2 billion of which considerably more than 1/2 has been committed since 1945. These loans

have made a substantial contribution to industrial development in Latin America. Our technical co-operation program has contributed substantially to the same objective.

As is the case with private capital, the rate at which additional public loan capital will flow into Latin America is largely for our Latin American neighbors to determine. The flow of loan funds could undoubtedly be substantially increased. Their ability to borrow depends, of course, on the basic soundness of their financial position and of the projects for which they seek financing. These in turn depend upon many factors, including not only the volume of their exports but their financial and monetary stability. To a very considerable extent these are factors within the determination of the Latin American countries as sovereign nations, and there are close limitations on our ability or our right to influence their action.

As you may know, the United States and the other American Republics are scheduled to meet in Rio de Janeiro this fall in a Conference of Ministers of Economy or Finance. The problems which I have been discussing with you will make up a large part of the agenda for that conference and are to be thoroughly discussed. The United States is now very actively formulating its position for the conference. It is our belief that not only the United States but the Latin American countries should go to the conference with positive programs for meeting the problems. Their stake in maintaining and, if possible, improving the generally good economic relations which exist between the two areas is as great as ours, and I am confident that within the framework of our respective national economic policies a good deal of progress will be achieved at Rio de Janeiro.

Question of Recognition of New Guatemalan Government

Press release 375 dated July 8

At his news conference on July 8 Secretary Dulles was asked if he was prepared to state whether the United States will extend diplomatic recognition to the Government of Guatemala as requested by the Junta there. Secretary Dulles made the following reply:

We are applying to that Government the same tests as we normally apply when there is a change of government. Primarily, we want to feel satisfied that the new regime will be able and willing to carry out its international obligations. If we are satisfied on that point, as I hope and expect we shall be, then we would proceed to recognition. But at the moment we are going through the normal testing as regards ability and willingness to carry out international obligations.

Floods on Rio Grande

Following is an exchange of messages between President Eisenhower and President Adolfo Ruiz Cortines of Mexico.

President Eisenhower to President Ruiz Cortines

White House press release dated July 1

I join with the people of the United States of America in expressing to Your Excellency and the people of Mexico profound sympathy in the tragic disaster wrought by flood waters along the Rio Grande which has brought untold suffering to many persons in both countries. Our thoughts and prayers go out to those bereaved and left homeless.

DWIGHT D. EISENHOWER

President Ruiz Cortines to President Eisenhower

White House press release dated July 3

In thanking your Excellency very cordially for your sympathetic expressions occasioned by the floods along the Rio Grande, may I assure you that the people of Mexico and I share with the Government and the people of the United States of America the same deep feelings with regard to the loss of life and the sufferings which that catastrophe has brought to the people along the border of our two countries.

ADOLFO RUIZ CORTINES
President of Mexico

Peru-Ecuador Boundary Dispute

Press release 379 dated July 10

The United States, as one of the guarantor states of the Protocol of Peace, Friendship and Boundaries of January 29, 1942, between Ecuador and Peru, is releasing the following communique in accordance with recommendations received from the Committee of Representatives of the guarantor states, which sits in Rio de Janeiro. The communique is also being released at Rio de Janeiro, Santiago, and Buenos Aires, capitals of other guarantor states, and at Quito and Lima, capitals of the two principals which subscribed to the aforementioned protocol:

In response to the proposals presented by the Committee of Representatives of the guarantor states of the

Protocol of Peace, Friendship and Boundaries between Ecuador and Peru of January 29, 1942, the Government of Peru, in the presence of the Military Attachés of the guarantor states accredited in Lima, has proceeded, as Vargas Guerra in the Morona River region, with the repatriation of the Ecuadoran soldiers in its possession thus putting an end to the differences which might have prejudiced mutual understanding in its relations with Ecuador.

The act of repatriation took place at 9 a. m. on July 1954.

The Meaning of Independence Day

Following is the text of a message from the President to Mayor Joseph F. Clark, Jr., of Philadelphia, which was read at Independence Day Ceremonies at Independence Hall on July 5.

White House press release dated July 5

DEAR MR. MAYOR: I send warm greetings to all citizens of Philadelphia and the distinguished friends joining them for the Fourth of July ceremonies at Independence Hall.

Because your city was the birthplace of our Declaration of Independence and was closely associated with many of the important incidents and figures of our Revolutionary history, it occupies a high place in American sentiment and memories. For most of us it symbolizes Freedom itself.

During the decades following upon those stirring events in Philadelphia, the march of freedom toward many corners of the globe seemed triumphant and certain to continue. But, beginning a score of years ago, it has suffered notably from forces marshalled by the leaders of Fascism and Communism. Though their evil doctrines differ in some respects, they are as one in contempt of our concepts of liberty and human dignity. Both have disdained and attempted to destroy all religious belief and have ruled the millions under their control through cruelty, violence and deceit.

Important parts of these conspiracies have already been stopped by an outraged humanity. Eventually the others are certain to go, because in the long run nothing can stand before man's intense desire for personal liberty and his determination to worship in his own way.

On this Fourth of July we confidently strive toward the ultimate triumph of peace and justice in the world. May it be a conquest, we pray, accomplished not by force, but through patient perseverance and the growth of knowledge and understanding among nations and men.

Sincerely,

DWIGHT D. EISENHOWER

Functions of the American Consul

by *Nicholas S. Lakas*

*Vice Consul, Alexandria, Egypt*¹

Tonight I want to talk to you about "The American Consulate in Your Community." This subject is one of great importance to me as an American and as a member of the Foreign Service of the United States. It is of even greater importance to me that you understand more fully why there is an American consulate in your community. Therefore, it is my intention this evening to clear up for you such questions as: What is a consulate and what is its business? What is a consul and what does he do in your community?

Much as I would like to speak in detail and at great length on a subject close to my heart, consideration must be given to the limited time available to us this evening and I shall therefore restrict my talk to a general sketch of the historical background of my Service, and to a condensed description of some of our principal functions.

The origin of consular offices and functions antedates the development of diplomatic exchanges. Early in the history of commerce, it became necessary for commercial states to establish a jurisdiction over their own seamen, vessels, cargoes, and nationals. As the operations of commerce in foreign ports also involved national interests as well as individual interests of merchants and seamen, it became equally necessary that this jurisdiction be exercised by an agent, that is, by a person who was a national of the state concerned. Hence, we find among the states of antiquity commercial magistrates with functions similar to those vested in the consuls of today, though much more extensive.

During the Middle Ages, consuls were semiamassadors and ministers who watched over the interests of their countrymen, deciding their disputes, protecting their commerce, and exercising large judicial and commercial powers, independent of the laws of the country to which they were accredited. When embassies or legations came to be established in name and in fact, the consular office lost much of its diplomatic character. How-

ever, the growth of world commerce and the intensification of international relations in our own time have had the effect of again broadening the scope of consular functions by placing upon consular representatives numerous duties of an entirely different and modern character.

The United States consular service was created in the 1780's as an addition to our diplomatic service and was subsequently consolidated with the diplomatic service under what is now known as the Foreign Service of the United States. Today, officers of our Foreign Service are generally commissioned as both diplomatic and consular officers. While assigned to consulates, officers hold one of three ranks: consul general, consul, or vice consul, the rank of consul general being, of course, the highest consular rank in our Service. An officer in charge of a consulate, whether consul general, consul, or vice consul, carries full responsibility for the proper conduct and execution of the consulate's operations in addition to being responsible for all decisions which he may make in his capacity as the principal officer of the post.

Growth of Foreign Service

Our commercial and diplomatic interests in the 1780's were tended to by 16 consular officers and by three diplomatic missions. Today, our Foreign Service is manned by more than 14,000 employees, about 1,300 of whom are career officers. From the original 19 posts we now have 244 consulates and diplomatic posts functioning in various communities around the globe.

According to law, and when there are available funds, American personnel are returned to the United States any time after 2 to 3 years of continuous service overseas for a 30- to 60-day home leave, at the conclusion of which they are either reassigned to another post, or take up an assignment in the Department of State, or are returned to their former station. It has recently become the practice to alternate our assignments during our early training period from consulate to embassy and vice versa.

¹Address made before the English Teachers' Club of Alexandria on July 1.

The United States establishes consular offices at important seaports and trade centers of other nations to (1) protect and aid the persons and interests of American citizens; (2) encourage and facilitate a flow of mutually profitable trade; and (3) foster and maintain good will and common understanding with the respective communities.

Early consular records of the United States show that we have maintained consular representation in Alexandria for more than one century and that our first consular office with the rank of consulate general in our Service was created here in Alexandria early in 1854. Our office exercises consular jurisdiction over most of the Nile Delta's 8,495 square miles, which, in area, is comparable to the size of our State of Massachusetts.

When I say consular jurisdiction, I simply mean this. The United States has two consular posts in Lower Egypt, one here in Alexandria and the other in Port Said. Each post is directly concerned only with its consular activities within its area. Residents in the Governorates of Alexandria, Damietta, and the six Provinces of Behera, Dakhahlia, Gharbia, Menufia, Galubiya, and Sharquia, attend to whatever consular transactions they may have with our office at Alexandria. You will be surprised to hear, I'm sure, that at least 50 percent of our daily work has to do with assisting residents of this area with a variety of requests and problems.

According to Thomas Jefferson, third President of the United States and our first Secretary of State, consular representatives from other nations stationed in the United States were to be "considered as distinguished foreigners dignified by a commission from their Sovereign and specially recommended by him to the respect of the nation with whom they reside." Consular officials of all nations stationed throughout the world carry on their work much along the same lines as I and my colleagues do here in your community in accordance with the laws of nations, treaties, and consular conventions.

Day-to-Day Functions

Our principal day-to-day operations include assistance to Americans on a cradle-to-grave basis, with a lot of activity in between. It is mandatory that the birth of American children abroad be reported to the nearest Foreign Service post, which, in turn, reports the blessed event to Washington. If an American citizen so desires, he may have his marriage abroad witnessed by the consul, who then issues a certificate that he did witness the ceremony in his official capacity. The consulate will bury or ship to the United States the remains of American citizens who die in this area. If an American citizen dies in this area without a legal representative, we assist in the settlement of his estate. And not to forget a very important ac-

tivity, we investigate claims to American citizenship and issue documents of identity and passport to American citizens. We are also directly involved in the shipment, discharge, and relief of seamen serving on American vessels. Recipient and beneficiaries of United States pensions, resident in the Alexandria district, receive their check through our office.

Here are a few more of our functions. Our consulate general issues immigrant and nonimmigrant visas to local residents who desire to visit or to emigrate to the United States. With certain exceptions, invoices of merchandise over \$100 in value destined for the United States must be certified by the consulate general. This consular certification is performed to enforce our customs regulations with respect to prohibited goods and those which require disinfection or special documentation. Notarials and depositions are also part of our daily routine.

Also of primary importance is the analysis, evaluation, and reporting to Washington of events, situations, and opinions in Northern or Lower Egypt which, we believe, might be of interest to our Government. Our reports cover a multitude of subjects and range from descriptions of trade and commerce facilities to trends in public opinion on any number of topics—from local market conditions to local developments in trade, agriculture and industry.

The consulate general promotes and protects the overseas trade of the United States. We initiate trade inquiries about local markets; we encourage and facilitate the entry of local producers and manufacturers into the export trade with the United States. Manufacturers established in this area who are interested in expanding their markets into the United States are invited to avail themselves of a variety of commercial services offered by the consulate general without fee.² Our commercial reference facilities are also available. The consulate general assists local exporters with their problems affecting the manner of their approach to the American market and the placement of their products in the desired areas.

If a local businessman or manufacturer is interested in any phase of United States trade and proposes to visit the United States, the consulate general will announce his impending arrival to the Department of Commerce and issue the visitor an invitation to call on the manager of the nearest Department of Commerce office. In instances where business visitors are interested in representation, their names are included in the files of the Department of Commerce and are brought to the attention of United States firms upon inquiry.

I could go on and on to tell you about our other

² EDITOR'S NOTE. Certain of these services are performed upon payment of a fee, as prescribed by law or by Executive order.

activities here and to describe to you the innumerable unique experiences which have featured my tours of duty in other parts of the world. I have purposely avoided a detailed description of all the functions which we perform but hope that I have at least sketched enough of a picture to enable you to have a better understanding as to why we are here in Alexandria, what we do, and our place in your community.

Chinese Representation in the United Nations

Press release 376 dated July 8

At his news conference on July 8, Secretary Dulles was asked whether he favored United States withdrawal from the United Nations if Red China is admitted to that organization. Secretary Dulles made the following reply:

I am so confident that the Communist regime will not be seated in any of the principal organs of the United Nations that I do not care to proceed on the assumption that they will be seated. I think that weakens our case and strikes a note of defeatism which I think is entirely unjustified.

The United States has a powerful case in this respect and it is a viewpoint which is shared by many other members of the United Nations. The record of the Chinese Communist regime is such that it is, in my opinion, clearly not qualified to be seated in the United Nations.

Let me, if I may, elaborate that a bit. I recall from the days at San Francisco in 1945, when the charter was drawn, that there was at that time a very considerable argument on whether the United Nations should be a universal body which would represent all the governments of the world, good, bad, or indifferent, or whether membership should be on a selective basis. That was strongly argued at San Francisco and the proponents of selectivity won. That is reflected by the provision in the charter that members should be peace-loving and able and willing to discharge their obligations under the charter. That is strengthened furthermore by the provision that any nation against which enforcement action was taken should be liable to suspension from membership in the United Nations. In other words, the United Nations was not set up to be a reformatory. It was assumed that you would be good before you got in and not that being in would make you good.

The United States, basing itself on the principles of the charter, which are clear, takes the position that the Communist regime is disqualified by its consistent record of opposition to the principles of the United Nations. In Korea it carried on war against the United Nations. At the Geneva Conference it continuously denounced the United

Nations. It has been the subject of enforcement action recommended by the United Nations. In Southeast Asia it promoted aggression. All of these facts combine to make a case such that we do not believe that the requisite vote can be found to admit the Communist regime to represent China in the United Nations. Because we believe that, we do not think that it is wise to proceed on the assumption that we are going to be defeated. I do not believe Communist China in fact is going to be seated.

So far there are over 150 test cases which have come up in one or the other of the organs of the United Nations and in every one of those cases the position has been taken that the Communist regime should not be seated. In view of the strength of our case, the fact that we know many other countries share it with us, and in view of the past record, I see no reason whatever to assume that we are going to be defeated on this issue at the present time.

Mr. Dulles was asked what he considered the requisite vote to defeat Red China's being seated. He replied:

I believe that, as far as the General Assembly is concerned, this certainly is an important matter which would require a two-thirds vote. Anybody that says this is not an important matter is certainly not facing up to the realities of the situation. I believe that in the Security Council it is a matter which is properly subject to veto.

Mr. Dulles was asked whether that meant that the United States would use the veto if necessary. He replied:

It means that we would invoke the veto if necessary, yes.

Mr. Dulles was asked whether that meant that the United States does not consider it a question of credentials. He replied:

It means that we consider it what the charter calls an "important matter." The charter says that important matters shall require a two-thirds vote, and, as I say, anybody that does not think this is an important matter is exercising a curious judgment.

The Secretary was asked whether, in the event that there would have to be a vote to determine whether this was or was not an important matter, that would be by majority vote. He replied:

That would be by a majority vote. The charter contains, in relation to the General Assembly, the basic provision that important matters shall require a two-thirds vote. It then goes on by way of illustration to indicate certain matters which are by definition important matters. Then it goes on to say that the creation of an additional category of important matters should be by a majority vote.

Mr. Dulles was asked who would be hurt the most by American withdrawal from the United Nations. He replied:

I don't think there is going to be any American withdrawal from the United Nations or any occasion for it.

A correspondent raised the point that Mr. Dulles' predecessor took the position that a vote on Chinese Communist membership in the Security Council was not a vetoable question. Mr. Dulles was asked why his thinking differed on this point. The Secretary replied:

The view is clearly accepted that the admission of a new member is subject to veto. And then the question arises as to whether the admission of a new government is subject to veto.

In view of the fact that the charter tests as to eligibility obviously relate to governments, or can only be applied in terms of governments, it seems to me that if you look at the substance of the matter rather than the form, the question of the eligibility of a new government should be subject to the same voting tests as the admission of a new state.

The charter says that a state shall not be eligible for membership unless it is able and willing to carry out its obligations under the charter. Now the question as to whether a state is able and willing to carry out its obligations under the charter clearly depends upon its government. There is no way in the world of determining ability and willingness to carry out obligations except in terms of what is the attitude of the government, just as in the case of Guatemala, which has been referred to.¹ In that case we are withholding recognition until we are satisfied that the Government will be able and willing to carry out its international obligations.

The test that the charter applies is a test which can only be applied in terms of governments. You cannot apply the test to an amorphous body, such as a state, without regard to its government. Therefore, as far as the substance of the matter is concerned, it seems to us that it is a substantive and not a procedural matter to determine whether or not the Communist regime shall be seated. That is the reality of the situation. The Soviet Union by veto prevents the admission of Japan, of Italy, and of many states who are qualified because of their peace-loving and law-abiding governments to membership. To say that the Soviet Union can exercise that right in that respect, but that in this respect the right cannot be exercised, seems to me to put the letter above the spirit of the charter.

Mr. Dulles was asked how he accounted for the fact that some of the governments whose representatives at Geneva only a few weeks ago signed

the 16-power declaration,² which in effect terminated the Korean talks, can now so materially alter the view that they expressed in that declaration. He replied:

Well, I was reading that just before I came down here. It says:

The Communists repudiate and reject the authority and competence of the United Nations in Korea and have labelled the United Nations itself as the tool of aggression. Were we to accept this position of the Communists, it would mean the death of the principle of collective security and of the U.N. itself.

Sixteen nations signed that declaration, and one of the reasons why I am confident that the Communist Chinese regime will not be seated in the United Nations is because of the fact that the principle to which they subscribed at that time leads irrefutably to the conclusion that that regime should not be brought into the United Nations. As indeed is said there, the position which Communist China represents, if it were accepted, would mean the death of the principle of collective security and of the United Nations itself.

Mr. Dulles was asked whether his views on the admission of Communist China to the United Nations have been modified since writing his book in 1950 in which he stated that the only test should be whether the regime governs the country or not and argued in favor of the universal theme rather than the selectivity theme. The Secretary replied:

In the first place, I was arguing for an amendment of the charter of the United Nations which would adopt the principle of universality. The other theory was adopted and is in the charter and that is what we are bound by at the present time. Furthermore, since that was written, there has been the aggression of the North Koreans in Korea. There has been the Chinese intervention in that aggression. There has been the condemnation of Communist China as an aggressor. There has been the support by Communist China of aggression in Indochina. These are all events which in the winter of 1949-1950 were not predictable. We were entitled to believe at that time that there was a general acceptance of the principles of the United Nations. Since that time there has been a very marked change in the situation. There have been a series of actions which indicate that the hopes which were legitimately entertained, I think at that time perhaps cannot be entertained with the same confidence at the present time.

The Secretary was asked whether that is not also true of the Soviet Union. Mr. Dulles replied:

The Soviet Union is at the present time seated in the United Nations. It cannot be put out of

¹ See p. 83.

² BULLETIN of June 28, 1954, p. 973.

the United Nations because it would be able to veto that action. In the case of the Soviet Union the matter is academic even if we assume, which is not necessarily to be assumed, that the record of the Soviet Union is comparable to that of Communist China. The Soviet Union has never been declared an aggressor by the United Nations, nor have enforcement measures been taken against it such as would justify suspension under the United Nations Charter.

Mr. Dulles was asked whether the position of Communist China in relation to the principles of the United Nations is a worse record than that of the Soviet Union. He replied:

Yes, because Communist China has been found by the United Nations to be an aggressor and the United Nations has called for enforcement measures against Communist China. There is nothing comparable in that respect as far as the record of the Soviet Union is concerned. Whether that would be the case or not is another question. But the fact is that the Soviet Union has not been found by the United Nations to be an aggressor. Therefore it is not a question of inviting into the United Nations a government which is itself at war with the United Nations and is today subject to sanctions which have been called for by the United Nations.

The Secretary was asked whether we are prepared to have this issue come to a vote in September when the next Assembly meets, or whether we would seek to postpone a vote on the Chinese admission. Mr. Dulles replied:

I would not want to predict at this time what the particular techniques will be. Last year the matter came up in the form of a resolution, which I think I moved, that the question of the admission of Communist China be postponed for the period of the Eighth Assembly.³ That resolution prevailed. I remember I handled it myself personally on the floor at the opening day of the General Assembly.

Asked whether or not he was ruling out the possibility that that move might be made again, he replied:

No, that might very well be the procedure that could be followed.

Asked whether in such a case the vote required could be two-thirds or a majority, he replied:

My recollection is that the resolution was adopted by a two-thirds vote, so that it became academic.

¹ For text of the Secretary's statement, see *ibid.*, Sept. 2, 1953, p. 412. The resolution was approved by a vote of 44 to 10, with 2 abstentions.

Mr. Langley To Head Delegation to Philippine Trade Talks

Press release 368 dated July 6

The White House on July 6 announced the designation by Secretary Dulles of James M. Langley, New Hampshire publisher, as the chairman of the U.S. delegation which will meet with a Philippine delegation to consider possible modification of the 1946 Agreement on Trade and Related Matters between the United States and the Republic of the Philippines. This agreement has governed trade relations between the two countries since the Philippines became independent on July 4, 1946. Its reexamination and readjustment were requested last year by the President of the Philippines as vital to the economic stability of his country, to which President Eisenhower replied that the United States stood ready to give prompt and sympathetic consideration to any specific proposals for revision which the Philippine Government might wish to advance.¹

Specific proposals have been made by the Philippine Government and subjected to preliminary examination by this Government. The consultations and negotiations which are soon to take place are of importance to the United States because of its continuing interest in the welfare of the Philippines and its consequent willingness to discuss with the Philippine Government a matter which in the Philippines is considered to be of great importance.

The U.S. delegation will comprise, in addition to Mr. Langley, two officers of the Department of State as deputy chairman, representatives of the Departments of Commerce and Agriculture, of the Treasury Department, and of the Foreign Operations Administration, and possibly an official of the Tariff Commission.

The Philippine Government is expected soon to announce the composition of its delegation. Consultations will begin upon the arrival of the Philippine delegation in Washington, which will probably take place sometime within the next few weeks.

Trade With Philippines

TEXT OF PROCLAMATION²

WHEREAS, pursuant to the authority conferred by section 401 of the Philippine Trade Act of 1946 (60 Stat. 143), the President of the United States, through his duly empowered Plenipotentiary, entered into an agreement on

¹ For texts of correspondence, see BULLETIN of Sept. 7, 1953, p. 316.

² No. 3060; 19 Fed. Reg. 4397.

July 4, 1946, with the President of the Philippines; and

WHEREAS on October 22, 1946, the two Governments exchanged notes making certain clarifying amendments to the said agreement; and

WHEREAS the said agreement and the said notes were proclaimed by the President of the United States by Proclamations of December 17, 1946 and January 8, 1947, and entered into force on January 2, 1947; and

WHEREAS the act of July 5, 1954, entitled "An Act to provide for an extension on a reciprocal basis of the period of the free entry of Philippine articles in the United States",³ provides as follows:

"The duty-free treatment provided for in section 201 of the Philippine Trade Act of 1946 (60 Stat. 143) shall apply in lieu of the treatment specified in paragraphs (1) and (2) of subsection (a) of section 202 of that Act, to Philippine articles entered, or withdrawn from warehouse, in the United States for consumption during such period after July 3, 1954, but not after December 31, 1955, as the President may declare by proclamation to be a period during which United States articles, as defined in that Act, will be admitted into the Republic of the Philippines free of ordinary customs duty, as such duty is defined in that Act. Notwithstanding any such proclamation, paragraph (2) of such subsection shall be considered as having been in effect for the purpose of applying the provisions of paragraph (3) of such subsection."

NOW THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by the said act of July 5, 1954, do hereby declare and proclaim, on the basis of information received from the Government of the Philippines, that United States articles, as defined in the said Philippine Trade Act of 1946, entered, or withdrawn from warehouse, in the Philippines for consumption, during the period from July 4, 1954, to December 31, 1955, both dates inclusive, will be admitted into the Philippines free of ordinary customs duty, as such duty is defined in the said Philippine Trade Act of 1946.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this tenth day of July, in the year of our Lord nineteen hundred and fifty-four, and of the Independence of the United States of America the one hundred and seventy-ninth.

[SEAL]



By the President
JOHN FOSTER DULLES
Secretary of State.

German Views on U.S.-U.K. Talks

White House press release dated July 1

Following is the text of a letter received by the President from Chancellor Konrad Adenauer of the Federal Republic of Germany:

MY DEAR MR. PRESIDENT: It is my sincere desire to tell you that the Federal Government has with deep satisfaction taken note of the Washington Communique of June 29 which you published in conjunction with Sir Winston Churchill after the

conclusion of your talks.¹ The clear position on questions pertaining to Western Europe and especially to the Federal Republic of Germany with respect to Western Europe coincides completely with the concept of the Federal Government. I particularly want to thank you for your renewed affirmation that the Federal Republic of Germany should take its place as an equal partner in the community of Western Nations where it can make its due contribution to the defense of the free world. This statement is in accordance with the ardent desire of the great majority of the German people.

Sincerely,

ADENAUER

U.S.S.R. Retaliates for Expulsion of Soviet Officials from U.S.

Press release 365 dated July 5

On July 3 the Soviet Ministry of Foreign Affairs informed the American Embassy at Moscow that Lt. Col. H. Felchlin, U.S. Assistant Military Attaché, and Maj. W. McKinney, U.S. Assistant Air Attaché, have been declared *persona non grata* because of alleged improper activities in the Soviet Union.

The U.S. Government through the American Embassy at Moscow has categorically denied the Soviet allegations, which are baseless, and pointed out to the Soviet Government that no evidence whatever has been given to support these charges regarding Lt. Col. Felchlin and Major McKinney.

Maj. McKinney and his family, who are now on vacation outside the Soviet Union, will not return to Moscow. Arrangements are being made for the early departure of Lieutenant Colonel Felchlin and his family.

Since there is no foundation whatsoever for the arbitrary action of the Soviet Government with respect to Lieutenant Colonel Felchlin and Major McKinney, it is obvious that the Soviet authorities have taken this action in retaliation for the expulsion in recent months of three Soviet officials for espionage and improper activities in this country.

Comdr. Igor A. Amosov, Assistant Naval Attaché of the Soviet Embassy, was declared *persona non grata* by the Department of State on February 3, 1954. Commander Amosov departed from the United States February 8, 1954.

Alexander P. Kovlyov, Second Secretary of the Soviet delegation to the United Nations, was asked to leave the United States on February 3, 1954. He departed February 10, 1954.

Lt. Col. Leonid E. Pivnev, Assistant Air Attaché of the Soviet Embassy, was declared *persona non grata* by the Department of State on May 29,

³ Public Law 474, 83d Cong.

¹ BULLETIN of July 12, 1954, p. 49.

1954. Lieutenant Colonel Pivnev departed from the United States on June 6, 1954.

The texts of the Soviet note and the American Embassy's reply follow.

U.S. Note of July 4

The Embassy of the United States of America acknowledges receipt of the note of the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics of July 3, 1954, concerning Lt. Col. Howard L. Felchlin and Maj. Walter McKinney, Assistant Military Attaché and Assistant Air Attaché of this Embassy.

The Embassy wishes to state that neither these officers nor any other members of this Embassy have engaged in activities incompatible with their diplomatic status and observes that the Ministry submits no evidence in support of its allegation against Lt. Col. Felchlin and Maj. McKinney.

However, in view of the action of the Soviet Government in declaring these officers *persona non grata*, the Embassy informs the Foreign Ministry that Maj. McKinney and his wife are presently on leave and will not return to the Soviet Union, and Lt. Col. Felchlin and his family will depart from the Soviet Union on the Ambassador's airplane on July 8, 1954.

Soviet Note of July 3

The Ministry of Foreign Affairs of the Union of Soviet Socialist Republics has the honor to state the following to the Embassy of the United States of America.

Competent Soviet authorities have established that the Assistant Military Attaché of the United States, Lt. Col. H. Felchlin, and the Assistant Air Attaché of the United States, Maj. W. McKinney, have made use of their stay in the Union of Soviet Socialist Republics to carry out espionage work and have, in this manner, engaged in activity incompatible with their diplomatic status.

In connection with this Lt. Col. H. Felchlin and Maj. W. McKinney are declared to be *persona non*

grata and the Ministry expects that the Embassy will take measures for their immediate departure from the Soviet Union.

Czechoslovak Abduction of U.S. Soldiers

Press release 372 dated July 7

Following is the text of a note delivered on July 7 by the American Embassy at Prague to the Czechoslovak Foreign Office:

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and has the honor to state that United States authorities in Germany have reported that the following members of United States armed forces are now in the custody of Czechoslovak border authorities . . . [names and ranks of personnel].¹ These soldiers were proceeding innocently without arms along the border in the vicinity of Barnau on July 4 when they were seized by a Czechoslovak patrol at approximately 1830-1900. The Czechoslovak border patrol in this area has already acknowledged that these American soldiers are in Czechoslovak custody. The U.S. Government protests in the strongest terms this abduction of American soldiers and demands their immediate return to U. S. authorities in Germany.²

Administrator of Seaway Corporation

The Senate on July 2 confirmed Lewis G. Castle to be administrator of the St. Lawrence Seaway Development Corporation.³

¹ The men later were identified as Capt. Jack M. Davis, Corporal John F. Glasson, and Privates Leonard Tennis, J. W. Griffith, John F. Switzer, Richard J. Jumper, and Ross F. McGinnis.

² On July 15 the men were returned to Seventh Army authorities at Waidhaus-Rozvadov on the German-Czechoslovak border.

³ For background, see BULLETIN of June 21, 1954, p. 959.

New Treaties on International Travel

UNITED NATIONS CONFERENCE ON CUSTOMS FORMALITIES FOR THE TEMPORARY IMPORTATION OF PRIVATE ROAD VEHICLES AND FOR TOURISM

by H. H. Kelly

With 55 nations represented, a United Nations conference on customs formalities for tourists was held at U.N. headquarters in New York from May 11 to June 4, 1954. The conference accomplished successfully the purpose for which it was called—the drawing up and signing of two treaties designed to simplify and standardize customs formalities on automobiles used for private touring purposes and on the personal effects and other belongings of tourists in general. The new treaties are expected to be a further incentive to international travel, already an important factor in the economic and social progress of almost all nations of the free world.

In 1926 an international conference at Paris reached agreement on certain measures to facilitate international highway traffic, including recognition of an international customs pass (*carnet de passages en douane*) to permit tourists to take their automobiles across national frontiers under bond and without payment of customs duty. In 1949 at a United Nations conference at Geneva, a world-wide Convention on Road Traffic was drawn up, including among its provisions a brief reference to the desirability of simplifying customs formalities applicable to tourists' automobiles and again recognizing the usefulness of the *carnet*.

Since it was obvious that much more detailed provisions on tourism would eventually be necessary to meet modern conditions, the U.N. Transport and Communications Commission considered the subject at successive meetings. The Commission obtained data and recommendations from the member governments, decided to eliminate consideration of aircraft, pleasure boats, and commercial motor vehicles, and finally recommended to the Economic and Social Council in February 1953 that an international conference be convened to conclude two conventions, one on private road vehicles and the other on tourists' belongings. Ecosoc, in turn, instructed the Secretary-General

to convene a conference of governments.¹ The New York meeting was the result.

The agenda of the conference was of the standard type, its two main items relating to the two conventions for which it had been assembled. To the second of these, however, regarding personal effects of tourists, the conference itself added an item on "tourist publicity documents and material" which emerged finally as a protocol to the second convention.

Participation and Organization

In number of countries represented, the conference proved to be one of the largest technical gatherings ever assembled by the United Nations. This fact undoubtedly reflects the universal interest of governments of the free world in the development of international travel.

The following 47 governments were represented by official delegates:

Argentina	Egypt	Netherlands
Australia	France	Panama
Austria	Federal Republic of Germany	Peru
Belgium	Guatemala	Philippines
Bolivia	Haiti	Portugal
Burma	Honduras	San Marino
Cambodia	India	Spain
Canada	Iran	Sweden
Ceylon	Israel	Switzerland
Chile	Italy	Syria
China	Japan	United Kingdom
Colombia	Jordan	United States
Costa Rica	Lebanon	Uruguay
Cuba	Luxembourg	Vatican City
Dominican Republic	Mexico	Yugoslavia
Ecuador	Monaco	

The following eight governments were represented by observers: Brazil, Denmark, Finland, Greece, Hungary, Iraq, Thailand, and Turkey.

¹ Resolution 468 F (XV) dated Apr. 15, 1953.

The following organizations were also represented: United Nations Educational, Scientific, and Cultural Organization, Customs Cooperation Council, Organization of American States, Organization for European Economic Cooperation, International Chamber of Commerce, Inter-American Federation of Automobile Clubs, International Automobile Federation, International Touring Alliance, International Air Transport Association, International Road Federation, International Union of Official Travel Organizations, and Caribbean Tourist Association.

The members of the United States delegation were as follows:

James J. Wadsworth, Deputy U.S. Representative to the United Nations, *chairman*
Henry H. Kelly, Office of Transport and Communications Policy, Department of State, *vice chairman*
Dr. Herbert Ashton, Bureau of Foreign Commerce, Department of Commerce
Victor A. Mack, Office of International Finance, Department of the Treasury
Victor A. Wallace, Office of the Legal Adviser, Department of State

In addition, the following highly qualified experts in the matters under consideration were available as consultants to the U.S. delegation:

Francis B. Laughlin, Assistant Collector, and John J. Casazza, Deputy Collector, Bureau of Customs, New York, N. Y.
J. D. Ryan, Director of Foreign Touring, and John Gavigan, Assistant Director, American Automobile Association, New York, N. Y.
Somerset R. Waters, Jr., Director of Business Development, *American Magazine*, representing the National Association of Travel Organizations
Andrew Kelly, President, Sutherland International Despatch, representing the American Society of Travel Agents

At the opening plenary session on May 11, the Secretary-General of the United Nations welcomed the participants. The conference then elected by acclamation the following officers: president, Philippe de Seynes (France); vice chairmen, A. S. Lall (India) and Orencio Nodarse (Cuba). It also set up the following committees and working parties, which subsequently elected chairmen as indicated: Credentials, H. Scheltema (Netherlands); Legal, G. de Sydow (Sweden); Working Party on Vehicles, Franz Luethi (Switzerland); Working Party on Tourists' Effects and on Publicity Material, Charles Hopchet (Belgium).

Plenary sessions were also held on May 12 for general discussion, but the two Working Parties took over on May 13 and labored for more than 2 weeks in morning and afternoon sessions on the task of preparing texts for the conventions and protocol. Special drafting groups also held numerous meetings. The final plenary sessions convened during the week of May 31, and the ceremony of signature and the adjournment of the conference took place on June 4.

Final Act

The formal results of the conference were set forth in a Final Act, two conventions, and a protocol. The Final Act, signed by 41 nations, is noteworthy because it calls special attention to the fact that the agreements reached by the conference "set out minimum facilities, which are less than those allowed by many of the Contracting States." It also pledges that "the Contracting States will endeavor to increase the facilities which they now grant." Thus the participants recognize that these agreements are in the nature of lowest-common-denominators, made necessary by the fact that some nations are not yet able to give as full encouragement to international travel as others do. No country which already has liberal provisions on customs formalities for tourists, however, is in any sense required or expected to change its policy because of the new agreements, and indeed all participants are urged in effect to increase their present facilities. This atmosphere of confidence in future improvement pervaded the conference in general.

Importation of Vehicles

The Customs Convention on the Temporary Importation of Road Vehicles² marks a distinct improvement over previous treaties of this nature by clarifying and standardizing the requirements to be met by motorists in taking their cars across national frontiers. It amplifies the provisions of the Convention on Road Traffic of 1949, the aims of which are referred to in the preamble of the new treaty. The convention contains 44 articles, of which the last 12 are the usual procedural treaty clauses, together with 5 documentary annexes.

In essence, this convention provides that each contracting state shall grant temporary admission without payment of import duties, subject to re-exportation, to vehicles owned by persons normally resident outside its territory, for private use on the occasion of a temporary visit (up to 6 months). Temporary importation papers guaranteeing payment of import duties and import taxes are authorized to be issued by recognized motoring associations. Component parts required for repair of vehicles already imported under the terms of the convention will also be admitted free of duty provided they are reexported with the vehicle. (This provision, which won the support of practically all delegations at the conference, will necessitate a minor amendment to U.S. customs legislation, but the Department of the Treasury and other agencies of the Federal government agreed to its desirability and the U.S. delegates accordingly were able to sign the convention without a reservation on this point.)

² U.N. doc. E/Conf. 16/22 dated June 7, 1954.

The temporary importation papers above cited include the *carnet de passages en douane*, valid for more than one country; a "trptych," valid for only one country; and a new and simplified document called a "diptych," valid for only one country and incorporating a detachable sticker to be affixed to the windshield of the vehicle. The validity of these documents is limited to one year, although provision is made for their extension for a brief period if necessary to permit completion of a journey. Certification is also provided for cases in which the papers are undischarged, destroyed, lost, or stolen. All of these papers are specified in exact form in the 5 annexes to the convention.

The temporary importation papers constitute a bond or guaranty that the issuing association will pay the customs duty on any vehicle which is not reexported from a contracting state within the period of validity. This is a basic requirement in any convention of this nature, since most countries must be protected against the possibility of vehicles being imported, ostensibly for touring purposes, but in reality for sale without payment of duty. The outstanding exception, and perhaps the only one, is the United States, which does not require any bond or other document for the entry of foreign tourists' automobiles other than a notation on the baggage declaration. This liberal policy on the part of the United States reflects its predominance in the field of automobile manufacture and usage, as well as its desire to make international travel both less expensive and more attractive. While the U.S. customs procedures are not affected by most of the substantive provisions of the convention, American tourists traveling abroad will be helped under many of its terms.

The convention includes many additional provisions designed to protect both the contracting states and the motoring associations in the matter of temporary importation papers and thereby clarifies numerous questions which have been vexatious in the past. The significance of these provisions will be realized by international motorists in the future as their passage across national boundaries becomes smoother, more expeditious, and less expensive. On the other hand, there is, of course, a penalty clause, providing that any act which has the effect of causing a person improperly to benefit from the liberal system of importation laid down in the convention "may render the offender liable in the country where the offense was committed to the penalties prescribed by the laws of that country."

One additional feature is worthy of special note. This is the recognition, largely at the initiative of the U.S. delegation, of the increasing importance of "drive yourself" cars in international motoring. Provision is made for vehicles to be admitted and used by third persons duly authorized by the holders of the papers, provided that such persons normally reside outside the country of importation and fulfill the other conditions of

the convention. Here for the first time is a sound legal basis for the hiring of cars to be used internationally for private touring purposes—a welcome privilege for large numbers of American tourists abroad.

A strong effort was made by the French delegation to have the subject of commercial vehicles included in the convention. It was defeated on the grounds that this was not within the terms of reference of the conference, that most delegations had no instructions on the subject, and that in any case it would introduce questions of competitive means of transport which would go far afield from the basic problem of facilitating travel by private automobile. In recognition, however, of the fact that bus operations might be helped in certain countries by the standard customs documents established by the convention, the U.S. delegation suggested that these documents "be utilized for commercial road vehicles transporting tourists, by any contracting state which permits the entry and operation of such vehicles in international traffic." This proposal was unanimously adopted and incorporated as a recommendation in the Final Act.

The Customs Convention on the Temporary Importation of Road Vehicles will enter into force 90 days after deposit of the fifteenth instrument of ratification or accession. The 29 nations which signed it at New York are as follows:

Argentina	Federal Republic	Panama
Austria	of Germany	Philippines
Belgium	Guatemala	Portugal
Cambodia	Haiti	Spain
Ceylon	Honduras	Sweden
Cuba	India	Switzerland
Dominican Republic	Italy	United Kingdom
Ecuador	Mexico	United States
Egypt	Monaco	Uruguay
France	Netherlands	Vatican City

Customs Facilities

The Convention Concerning Customs Facilities for Touring² is briefer than that on vehicles. It has 25 articles, of which only 13 are of a substantive nature, the remainder being the customary final clauses required for treaty purposes.

Basic to this convention is its definition of the word "tourist," as "any person without distinction as to race, sex, language or religion, who enters the territory of a Contracting State other than that in which that person normally resides and remains there for not less than twenty-four hours and not more than six months in the course of any twelve month period, for legitimate non-immigrant purposes, such as touring, recreation, sports, health, family reasons, study, religious pilgrimages or business." Here for the first time

² U.N. doc. E/Conf. 16/20 dated June 7, 1954.

in an international instrument is a broad yet thorough description which should clarify the status of the *bona fide* international traveler in all countries.

Many hours of discussion were devoted to the hammering out of these words, and in the end the definition as given above was approved in plenary session by 25 votes to 3, with 6 abstentions. Some of the words had given rise to brisk differences of opinion before the final vote, perhaps the most significant relating to "business" as one of the legitimate purposes of tourism. On this point, a motion by the Guatemalan delegate to strike the word "business" was rejected by 20 votes to 12, with 4 abstentions. Adoption of the definition by the conference marked a considerable victory for the U.S. delegation, which, mindful of the difficulties caused in many countries by restrictive limitations on certain classes of tourists, had insisted throughout the discussions in working parties and plenary sessions upon wording which was essentially the same as that finally adopted.

In brief, this convention provides that contracting states shall admit temporarily, free of import duties or import taxes, the personal effects of tourists—defined as "all clothing and other articles new or used which a tourist may personally and reasonably require . . . but excluding all merchandise imported for commercial purposes." Among these personal effects are also included such items as personal jewelry, one camera with 12 plates or 5 rolls of film, one miniature moving-picture camera with 2 reels of film, one pair of binoculars, one portable radio, one portable sound-recording apparatus, one portable typewriter, sports equipment, etc. This constitutes a very broad definition of personal effects, which should result in many more items being accorded duty-free customs treatment than has been the case in the past in many countries.

Also there may be admitted free with each tourist 200 cigarettes or 50 cigars or 250 grams (about 1/2 pound) of tobacco provided that the total quantity in any case does not exceed 250 grams; one regular-size bottle of wine and 1/4 liter (about 1/4 quart) of spirits, and 1/4 liter of toilet water and a "small quantity of perfume." Although these quantities will undoubtedly appear small to some travelers, they represent substantial concessions on the part of many signatories to this first worldwide agreement on the subject. The U.S. tourist will find that many countries actually extend more liberal allowances.

Authorization is also granted for each tourist to import in transit travel souvenirs totaling not more than \$50 in value and to export in addition travel souvenirs totaling not more than \$100. There is a short but significant article reading: "The Contracting States shall endeavor not to introduce customs procedures which might have the effect of impeding the development of international touring." Recognition is paid to the

right of contracting states to apply special regulations relative to arms and ammunition, and to articles having relation to "public morality, public security, public health, hygiene, veterinary or phyto-pathological considerations"—the last phrases applying to plant and animal quarantine restrictions. The liberal provisions of the convention may be denied to a tourist who enters the country of import more than once a month or to a tourist under 17 years of age, and a safeguard phrase, "provided there is no reason to fear abuse" is used several times. In the event of fraud, contravention, or abuse, proceedings may be instituted for recovery of duties and imposition of penalties, and an offender is made subject to the laws of the country where the offense was committed.

As in the instrument on vehicles, the convention will come into force after 15 countries have ratified it. It was signed at New York by the following 28 countries:

Argentina	France	Panama
Austria	Federal Republic of Germany	Philippines
Belgium	Guatemala	Portugal
Cambodia	Haiti	Spain
Ceylon	Honduras	Sweden
Cuba	Italy	Switzerland
Dominican Republic	Mexico	United Kingdom
Ecuador	Monaco	United States
Egypt	Netherlands	Uruguay
		Vatican City

Tourist Publicity

A Protocol Relating to the Importation of Tourist Publicity Documents and Material (to be annexed to the convention on touring),⁴ based on a document submitted by the French delegation, was also adopted by the conference. The U.S. delegation did not participate in this activity, having no instructions on the matter, and did not sign the Protocol. As a matter of fact, the French draft, which was not submitted until after the conference opened, appeared to entail important legislative and tariff revisions which the United States could not undertake without extensive review. It appeared, furthermore, to duplicate at some points the Samples Convention signed by the United States at Geneva in November 1952 but not yet ratified by the United States Senate. The Protocol permits the free entry of books, magazines, posters, documentary films and recordings, etc., "the purpose of which is to encourage the public to visit foreign countries." It was signed at New York by 22 countries, as follows:

Argentina	Federal Republic of Germany	Panama
Austria	Haiti	Philippines
Belgium	Honduras	Sweden
Cambodia	Italy	Switzerland
Cuba	Mexico	United Kingdom
Ecuador	Monaco	Uruguay
Egypt	Netherlands	Vatican City
France		

⁴U.N. doc. E/Conf. 16/21 dated June 7, 1954.

From the point of view of U.S. interests, this United Nations conference may be characterized as successful. The members of the U.S. delegation, comprised of representatives of the Federal departments and national private organizations chiefly interested in the matters under consideration, regard with satisfaction the Final Act and the two Conventions which the conference adopted. All of the major points in the U.S. instructions, which had been carefully prepared during several months of consultation, were incorporated in these documents. Notable among them are the following:

The concept of "minimum facilities," which all nations are encouraged to improve upon.

The concept of "normal residence," which establishes the eligibility of a tourist to receive special customs privileges abroad without running counter to the existing laws of many countries.

Exclusion of commercial motor vehicles (buses and trucks) from the mandatory provisions of the first convention.

Clarification and standardization of the customs documents for vehicles.

Extension of privileges to the so-called "drive yourself" vehicles.

Recognition of the relationship between the new agreement on vehicles and the basic Convention on Road Traffic of 1949.

A clear delineation of the rights and duties of motoring associations.

An exact definition of "tourist," with enumeration of the various principal classes of travelers and including "business" as a legitimate purpose.

A helpful enumeration of "personal effects."

Authorization for travelers to carry travel souvenirs in transit and to export them from the country of purchase.

Due regard in all cases for the statutory rights and duties of customs authorities.

• *Mr. Kelly, author of the above article, is in charge of inland transport and travel matters for the Office of Transport and Communications Policy, Department of State.*

U.S. Administration of the Trust Territory of the Pacific Islands

*Statement by Frank E. Midkiff
High Commissioner of the Trust Territory¹*

Mr. President and Representatives in the Trusteeship Council, it is a pleasure to appear before you for the second time as the special representative for the United States and thus make myself available to the members of the Council in their review of the annual report for the administration of the Trust Territory of the Pacific Islands for the period from July 1, 1952, to July 1, 1953.²

I wish to testify at this time to the benefits to my administration of our last meeting. Not all the recommendations made by all the members of the Trusteeship Council at the last meeting were found possible to apply during this year. Many of them, of course, in fact nearly all of the suggestions, were of a general policy nature and could not be reflected in definite adoption except gradually and over a period of many years. However, the wise counsel of the members of the

Trusteeship Council is again sought and their guidance is sincerely appreciated.

More than a year has elapsed since June 30, 1953, the closing date of the period reported upon and under review. It is thought desirable therefore to review in this opening statement some of the past year's developments that have taken place and that are not covered in the report.

I would like to point out at this time that I do not touch in this statement upon the petition which the Council has received from the Marshall Islands regarding the conduct of experiments involving nuclear devices. This petition I understand will be considered by the Council's Petitions Committee. I should, however, like to inform the Council that the United States has made it possible for Dwight Heine, who was one of the principal draftsmen of the petition, to be present here. Mr. Heine will be available when the petition is discussed in the Committee to answer any questions that members of the Committee may have regarding the petition. It is our intent in having Mr. Heine present to enable the Council

¹ Made in the U.N. Trusteeship Council on July 7 (U.S./U.N. press release 1931). Mr. Midkiff is special U.S. representative to the Council.

² U.N. doc. T/1118 dated May 18, 1954.

to have firsthand information on the petition and to enable Mr. Heine to follow through to its conclusion the petition which he helped originate.

Since March 13, 1953, when I assumed office, I have made four trips to the trust territory. I feel much more closely in touch with the people and their problems than I was a year ago. Also, in this period it has been necessary for me to make six trips to Washington, visiting the Department of Interior and other departments of the Government and including last year's visit to the Trusteeship Council of the United Nations.

It is desired in this statement to place before you some of the chief problems of our administration and thus present to you an opportunity to suggest possible approaches looking toward eventual solution.

Relocation of Headquarters

One of the recommendations stressed at the last meeting of the Trusteeship Council was that a decision should be made concerning the location of the headquarters of the trust territory administration. Although this decision had not been reached by the end of the period of the report, a decision now has been reached to move the headquarters of the High Commissioner to Guam. This relocation, which will take place within a few months, is on an interim basis pending the time when funds will be available to construct a trust territory headquarters within the trust territory itself. The temporary location in Guam will provide that the High Commissioner and his small staff are geographically closer to the district centers of Koror, Yap, Truk, and Ponape and somewhat closer to the district center of the Marshall Islands than is the present headquarters location in Honolulu.

The members of the Council will be interested to learn that during the past year, also, and prior to the decision to move the remnant of the High Commissioner's office to Guam, the location of the Department of Public Health was changed to Ponape within the trust territory, and the location of the Department of Education was changed to Truk, both within the trust territory; also, the Fiscal and Supply Officer and his staff and the Executive Officer and his staff were moved to Guam, thus bringing all the "line" functions closer to the district centers. It will be seen, therefore, that at the present moment there is only a very small nucleus left in Honolulu, consisting of the personal staff and the advisers of the High Commissioner, and these very shortly will be moved to Guam.

Chief Problems

In general, it may be said that the basic difficulties for administering the trust territory continue: (1) the great expanse of the area in which the islands lie; (2) the paucity of land and other

natural resources; and (3) the diversity of languages and the nine ethnic groups. The administration is keenly aware of the many problems that arise from these basic conditions. We have been working away at them constantly. It appears to us that we are developing on a sound basis, but we appreciate the opportunity at these sessions to profit by the experience and guidance of the Trusteeship Council.

As to the problem of great distances over the ocean between the district centers and the numerous atolls of the trust territory, we attempt somewhat to reduce this by the organization of the territory along geographical lines and placing the islands in six geographical areas, each area or district under the direction of a District Administrator. Fortunately, these District Administrators and their staffs are proving to be sympathetic and understanding of the people and their problems and able to afford guidance and direction by personal contact in most cases. Continuity in service and years of experience, along with proper personal characteristics, are of great importance in developing an effective district staff. We are still in the transition stage, somewhat, in this respect. In fact, we are considering more decentralization and less dependence upon the central district staffs and more upon individual workers at more key points.

At What Rate Shall Change Occur?

One problem intertwining all others and involving a wide range of opinion and procedure is what shall we do about the "rate of change" or the speed at which customs should change in Micronesia. As stated in my closing remarks during the last session of the Trusteeship Council meeting,³ I was impressed then and still am impressed with the fact that there are two quite different ways of approaching change amongst the peoples of the trust territory.

The first way is purposefully to hasten change and achieve by dramatic and possibly even violent steps the overthrowing of the extended family or customary controls and the adoption of a Western type of democratic system. A year's observation of changes that currently are taking place has caused me to believe that on the whole we do not need to complain that change in Micronesia is too slow. There are indications that rapidity of change is causing indigestion and possibly not merely imagined distress.

The second way of approaching change is to try to see that it occurs in a quiet, evolutionary manner and that most change is expected to extend over a period of years and to take place in response to the felt needs of the Micronesian people.

There is no doubt that in certain spheres change is essential—in some cases unavoidable—and that

³ BULLETIN of Aug. 3, 1953, p. 150.

progress can be made to follow change if matters are wisely handed. At the same time, it has become increasingly evident that the Micronesians must manage their own affairs to a very large extent and that their competence in such management must increase and their confidence in their ability so to do must be restored as it was in the days before the outsider came. For in those days it is evident that they carried on with a great measure of success, adjusted their lives to the limited land, fresh water, and natural resources, and to the perils of sea and storm with which they were more or less constantly confronted.

This whole question, therefore, is laid before the Trusteeship Council with the statement that we are attempting to blend the old and new gradually, but never to accomplish a complete substitution of the new for the old. Does it seem proper to the Council that we should continue constructively but cautiously to build upon Micronesian custom and culture? The basic environment of the Micronesian people has changed only slightly and possibly only superficially during recent decades, no matter what manner of men have held political control. Should we not be cautious about insisting upon the adoption of a culture pattern that has evolved from continental conditions and in regions where natural resources are vast as compared with those of the trust territory islands?

ELECTION OF OFFICIALS

Take, for example, the election of officials as contrasted with the established method of selection of the leaders. To begin with, it is noted that 97 out of a total of 117 magistrates are elected. The established method of old for selecting leaders or chiefs was largely influenced first by heredity and secondly by native ability, but nevertheless the leaders were schooled and trained and were required to provide sound leadership or they were deposed. Can we expect officials who are elected to be as competent in leadership and as responsive to the needs of their people as are the chiefs? Should we not, at any rate, while encouraging election of officials, also encourage the retention of authority of the responsible customary and hereditary leaders of the people and possibly look upon this blending as insurance of both liberal and conservative elements of the government? Will this not tend to create less confusion and afford an evolutionary and workable method of providing change and progress?

The Community and District Courts which are presided over by Micronesians have continued to function throughout the year with increased efficiency as the judges become more and more familiar with their duties and the provisions of the Code of the Trust Territory. During the past year, a Micronesian Public Defender has been appointed for each district. They have all worked

under the direct supervision of the American Public Defender who as he travels throughout the district instructs them in the necessary rudiments of law and court procedure. It is planned to hold a 10-day meeting of all Micronesian Public Defenders within the next month or so for the purpose of conducting an intensive course in the duties which they are called upon to perform.

ORGANIC LEGISLATION

The island people have well established codes of customary law. The imposition of a Western code or "organic act" over the whole trust territory would run counter to customary law in certain places. This might not be serious if the environment and factors of living were modifiable to suit the new Western code. However, the environment cannot be changed by fiat. Would it not seem, therefore, that the enactment of "organic legislation" and in fact the application of our own trust territory code, which is based on Western legal concepts and practices, might well be permitted to come slowly and in response to felt need? As a matter of record, our judges have this fully in mind in administering our code.

We have found that there are well recognized needs for *certain* new laws. Such we are proceeding to enforce. We also see the need for the continuance of the great body of the customary laws. We are endeavoring to codify these.

Very earnest study has been given by officials of the trust territory, Department of Interior, and representatives of the Congress to preparation of a suitable organic legislation bill during the past year. It has been found best to continue study of such legislation, based upon longer observation of local legislation needs. Also, it is hoped that a guide may be indicated during the coming years as we codify native codes and laws.

A bill has been enacted by the Congress authorizing the continuance of the present government and administration of the Trust Territory of the Pacific Islands and authorizing that funds shall be appropriated to finance the same.⁴ This authorization extends until June 30, 1960, during which time organic legislation thoroughly appropriate to the needs of the area will be studied, formulated into a bill which is clearly for the best interests of the Micronesian people, and then enacted into law.

CHANGE THROUGH EDUCATION

Does not the theory of changing slowly and in an evolutionary manner also indicate a question concerning education? Would it be advisable for us to adopt the practice of bicultural education? In this, we should try to retain the best of the old ways and add gradually those items of the more

⁴ Public Law 451, 83d Cong.

modern way of life that will be beneficial in the economy and official life of the people. Most people teach much of their fundamental customs and domestic skills to their children in homes and community. With encouragement, such teaching can be restored and expanded and somewhat modernized in Micronesia—at no public cost.

More than a century ago, Christian missionaries spread their influence throughout the trust territory. The ten commandments were disseminated and gradually became established in place of many of the old customs. Superficially, at least, idolatry disappeared and individuals throughout Micronesia, with few exceptions, accepted Christianity. Missionary schools stressed the 3 R's and to a slight extent the application of science, as well as teaching some other things that were regarded as a more modern, practical way of living. These latter included modern cooking, clothing, laundry practices, and the use of modern handtools.

The Germans, in turn, introduced the idea of producing copra on a commercial scale. It is manifest, therefore, that these agents already and long ago modified the culture of Micronesia to a very definite extent and many of these modifications have become acceptable to the people. Many now desire and request systematic formal education which they regard as affording opportunities for personal growth and development. It is right at this point that problems arise as to whether the Micronesians should be afforded education that will wean them from their environment and from service to their people and practically urge them to residence and employment in outside areas. May it be that a combination of the old and the new—of education for improvement of their local conditions on the one hand, and on the other hand for their own personal growth and competence even beyond the opportunity of use locally—can be gradually and wisely harmonized?

Do the members of the Trusteeship Council who have had personal experience in administrative problems with dependent people conclude that it is wise to let the people find their own way to a considerable extent, though at the same time aiding them in their efforts to improve their own conditions?

We have 100 students pursuing advanced courses in Suva, Guam, Manila, Honolulu, and the American mainland. These young people are training themselves in fields including medicine, dentistry, sanitation, nursing, general education, priesthood and ministry, business and commerce, communications, and certain skilled trades.

The medical and dental students at Suva are being financed by the trust territory government. A few students are sponsored by civic and professional groups in Hawaii. Several are sponsored by the Catholic Mission of the trust territory. Many of the 100 are working their way through school.

Most of them at present intend to return to the trust territory to serve amongst their people and improve conditions in their communities.

WAYS AND STANDARDS IN ADJUSTMENT WITH LOCAL ECONOMY

Since the resources of the area are inevitably limited, does it not seem wise to avoid the introduction of ways and standards that cannot be maintained by the economy of the area? In other words, when it is known what the Micronesians actually desire, after having weighed all factors over against their long island experience, then we are in a position to aid them to obtain these things insofar as they are practicable. Since their environment is limited and their economy correspondingly meager, does this not indicate that we should go slow in disturbing the mores and economic customs that have proved adequate over so many generations? Cannot we agree that insofar as it is practicable, can be sustained by the local economy, and the people really desire it enough to espouse it and make it work, our "objective is the preparation of the population for the integration of the scientific changes of this century into their own cultural pattern?"

I have stated these simple questions as to what we shall do concerning the "rate of change" in several ways, I hope not too repetitiously, because I am impressed by the belief that we must have the proper answers in order wisely to deal with most all other problems in the area.

Development of Self-Sufficient Economy

A second problem arises in connection with the foregoing. This problem has to do with how to aid the Micronesians to develop a self-sufficient economy. It will be recalled that the Micronesians of old had a self-sufficient economy at subsistence level which provided a form of living that some modern people today might enjoy. However, it is impossible for many of the Micronesians forthwith to return to their ancient mere subsistence economy for the following reasons: Their means of subsistence have been damaged or destroyed by imported pests, war damage, and Western modification, and the Micronesians themselves today wish something different from the old subsistence economy. The problem, therefore, is to develop a self-sufficient economy above the mere subsistence level.

The past year has been occupied with action to improve the economic lot of the Micronesians. The Administering Authority has taken not one cent of revenue from the area. Rather, it has assumed annually a net outlay of several millions of dollars in carrying out its trusteeship.

Gains have been made steadily. These gains include, in some cases, painful readjustment toward an economic basis that will be able to support practicable standards of living, fitted to the islands'

environment and resources, and capable of being maintained by the Micronesians themselves as and when they become self-governing.

As special representative, I submit to the Trusteeship Council the above premise for action and trust that it will meet with the approval of all members when duly considered. It seems to me the only sound basis for permanent administration.

I should like to review with you some of the steps we are taking in this direction.

COCONUT CULTURE

The chief product of Micronesia is copra. At present, more of it can be produced than is needed for subsistence. This excess is sold in exchange for trade goods. Most of the copra comes from the low islands. As the population increases on these low islands, the need for coconuts for food will increase, and unless husbandry is improved, the excess of copra for sale will decrease proportionately. It is known that coconut husbandry can be improved by genetic selection and by improved methods of planting and cultivation.

Coconuts naturally grow well in Micronesia, but in many places war damage to the trees and the introduction of pests have reduced production. Also, since the time of the German administration, there has been a neglect of husbandry. Coconut trees now in most places are old and are in crowded forests whereas they should be in well spaced groves with rows properly planted. Efforts must be constantly exerted to improve the strain and variety of the nuts. Work is being done to encourage increased production from existing trees and to replace many of the trees now close to the end of their bearing period. It is hoped that the introduction of burros and outboard motors, in addition to increased personal leadership on the part of the District Administrator, the agriculturists, and the chiefs, will lead to increased industry and labor resulting in higher output. A "low island" nursery and propagation center to select and plant quality nuts is being formed for Jaluit Atoll. Seed selection and programs to improve planting procedures are under way generally throughout the districts.

A survey by W. V. D. Pieris of the South Pacific Commission, who is a world authority on coconut culture, has given us helpful recommendations which, although not yet adopted generally, have benefited the program considerably.

During August 1953, a live scolia wasp was discovered in Koror (Palau Islands), which indicates that efforts to establish the wasp, which is a predator of the rhinoceros beetle, have been successful. The last release of scolia wasps was made in December 1951. It is hoped that the wasps will multiply to the extent necessary to control the ravages of the beetle. Other steps are being taken to combat the beetle, including removal of vast

numbers of old coconut stumps and collection and destruction of grubs.

The high islands have some areas that are capable of substantially increased production of crops heretofore unused by the Micronesians to any considerable extent. Modern agriculture and horticultural science reveal ways of using more of the areas of the high islands, while at the same time maintaining the watershed and conserving the soil. The problem here is: Shall these possibilities in modern science be enforced upon the Micronesians, or shall the spur of necessity and enlightenment through education be depended upon to develop a feeling of need and desire on the part of the Micronesians so they will appreciate aid given in these lines and in due time themselves assume the cost of carrying on modern and improved agriculture?

FISHERIES, INCLUDING TROCHUS

During the past fiscal year the trust territory has explored possibilities for developing commercial fisheries in Micronesia along lines that will insure maximum participation of, and accrual of direct benefits to, the Micronesians.

Much first-rate advice was obtained through consultation with members of the Tuna Industry Advisory Committee (advisory to the Director, U.S. Fish and Wildlife Service), which met at Honolulu in February of this year. Partly as a result of such counsel, and also on the strength of advice received at frequent intervals from officials of the Pacific Oceanic Fishery Investigations (another activity of the Fish and Wildlife Service), first attention is being given to encouragement of local fisheries in the districts, for the purposes of increasing the supplies of fish protein needed for local consumption, as well as to enable exports to neighboring districts and to Guam. Efforts are being put forth further to develop the program instituted at Ponape in early 1952 whereby Kapingamarangi and Mokil men residing there market the fish catches obtained off the main channel entrance. Since inception of the plan, surpluses have been shipped regularly to Truk for use there in the hospital and central dining room, with some going on to Guam.

A plan to store and raise fish in fish pens for export sale has been broached at Ponape but has been discounted as a likely commercial venture by fisheries experts. The fish pens, however, long successfully used on Mokil Atoll, may have future value in connection with local subsistence fishing activities elsewhere.

The government of the trust territory is observing closely the new—and for American fishing interests, radical—experimental expeditions to the central Pacific area by the U.S. fishing groups. Activities and participation by Micronesians are objectives in all such planning.

Conversations are proceeding with Hawaiian and west coast commercial firms toward the development of improved fishing facilities for the Micronesians. It is not planned to set up canneries or byproducts plants, but it is anticipated that the islanders will be taught ways to improve their fishing intake.

The Japanese military, in order to further their security program, destroyed all but 80 of the Micronesians' 1,500 canoes. This literally wiped out the native subsistence fishing on many islands except for reef wading and fishing. Since each canoe requires a mature breadfruit tree to manufacture, and since there are no surplus breadfruit trees on most islands, it will take a considerable time to replace the canoes. The Micronesians are now occupied in remodeling and repairing surplus whaleboats and motor launches to meet the need. In a few instances, they are constructing cabin launches which use an outboard motor or engine, permitting wider cruising range.

The trochus industry yielded \$18,439 to the Micronesians in 1953. At present we are spreading the trochus beds and extending the period of the harvest season annually, thus increasing this source of income.

ANGAUR PHOSPHATE MINING

Negotiations for opening of new mining areas at Angaur were conducted in Honolulu with officials of the Japanese Phosphate Mining Company at intervals throughout the early months of 1954. The mining firm was, of course, most anxious to obtain permission to enter remaining agricultural lands underlaid by phosphate deposits. Discussions as a result were prolonged and thoroughly exhaustive and involved considerable hydrological and agricultural research and observations.

At the beginning of April 1954 an extension to the basic contract was agreed upon according to which mining is authorized in an additional tract located at North Angaur. The area is expected to be exhausted in October of this year, at which time mining is to terminate finally. There will then remain slightly less than ten acres of first-grade taro land available to the North Angaurese clans, and this acreage is considered to be the minimum beyond which it is not in the best interests of the inhabitants to encroach.

The Phosphate Mining Company, in order to protect ground water supplies and replace land areas destroyed in mining, is bound by contractual obligation to backfill bodies of standing water resulting from past operation.

JALUIT DEVELOPMENT PROGRAM

Authorized on October 2, 1953, with an initial allotment of \$4,000, this Jaluit Development Program was established to provide for rehabilitation of Jaluit Atoll as a preliminary step in resettling

islanders on the Island of Jabwor, former site of the Japanese civil headquarters in the Marshalls. On December 30, 1953, the authorized allotment was increased to a total of \$5,500.

Main emphasis is to be placed on agricultural redevelopment, with special attention to setting up a coconut nursery for distribution of selected seed nuts and seedlings to the barren lands and to other areas of the territory. Of equal importance is the concept of employing at Jaluit a carefully selected couple to inaugurate an operation designed to awaken the voluntary participation of the local islanders in local improvement undertakings for their own benefit. It has been possible to attract a mature, self-reliant couple interested in a challenging assignment of this type.

CACAO

A search for new subsistence crops and commercially feasible cash crops adapted to the islands is continually pursued by our agriculturists. At the moment cacao seems to hold promise for the future as a source of cash income, and active experimentation is now being done with this plant at Ponape and more especially in the Palau areas (Babelthaup Island and elsewhere). Mature plantings of Criollo variety remaining from Japanese agricultural experiments are providing a source of seed for propagation activities on the high islands.

Thousands of carefully selected cacao seedlings are now being grown and are being distributed on the various districts where the soil, temperature, rainfall, etc., are suitable for cacao growing. At Palau 29,000 cacao plants have been set out in a nursery and another 1,000 distributed to local people. Other seedlings have been established in two nurseries at Ponape. The staff is studying the best ways to grow, cultivate, harvest, prepare, and market the crop.

OTHER ECONOMIC PROJECTS

As careful study indicates the advisability of trying additional economic projects, funds will be made available for experimentation up to and including pilot studies. In a very small way the production of beef is being undertaken and carefully watched. Nine blooded Brahma bulls have recently been shipped from Tinian to Rota and Ponape to improve the local stock. Cattle are being run in coconut groves where legumes have been planted. They aid in keeping the plantations clean of brush so that coconuts can be harvested more easily. Swine and poultry stock and their husbandry are being improved. Many Micronesian families have pigs and chickens, but the grade is very low. During the past year, many selected breeding swine have been imported in an effort to improve the quality and quantity of pork available to the Micronesians. Tropical fruits

and spices especially adapted to the area will be investigated; black pepper, vanilla, and some others are now growing. High island reforestation projects, badly needed after the widespread forest destruction of the Japanese period (illustrated by extensive overcropping and clearing for clean farming), are contemplated and being undertaken to assist in (a) soil conservation, and (b) timber for lumber.

HANDICRAFT

A systematic program of improving the quality and quantity of handicrafts is being carried on by the administration. There seems to be an adequate market for properly made merchandise, although transportation and customs costs are high on many items. However, the Micronesians need to learn the necessity to produce goods of consistent quality and in addition be able to adjust to a small margin of profit when such items are competing with handicrafts from other areas. Furthermore, regularity of supply is not easy to accomplish since it requires somewhat factory-type work rhythms—things quite out of character with the Micronesians. New production incentives are being sought. Handicraft comprises the chief source of income on several islands and atolls, where the large populations consume nearly all the coconuts. The receipts of Micronesians for their handicraft products in 1953 were \$20,388. By good management this can be increased.

We are constantly torn between the desire to speed up production by modern plantation methods on the one hand, and on the other hand the contrasting policy of encouraging the people themselves to observe the modern way of agriculture and thereupon to undergo the routine and regimentation required to make a success of improved agriculture. We, therefore, show the chiefs and the people and the school students ways of improving coconut strains and better ways of planting the seed coconuts. We are demonstrating cacao as a new cash crop. We are making new strains of pigs and chickens available to those who wish to purchase them. We are showing the effect of new grasses and legumes. We are showing that coconuts can be grown through large, deep holes in former concrete airfields. We are going ahead with the control of the rhinoceros beetle and showing the people the part they have to play in this serious undertaking. We are trying the same methods in introducing and conditioning the people to democratic processes of government and to the method of free elections by secret ballot.

In all of these agricultural and political improvements, we are trying to avoid waste of energy and money and discouragement through recommendations and experiments that may meet with failure in the long run. In this program, we solicit the suggestions and counsel of members of

this Trusteeship Council who have had years of experience in similar situations.

Tax Structure and Practices

A third problem deals with the establishment of a suitable tax structure to enable governmental organizations to function. The Micronesian chiefs are accustomed to levying certain forms of taxes amongst members of their own municipalities. There were some cases where the levies extended over nearby island groups, sometimes in the form of what might be called tribute. A more modern system of taxation is now becoming understood by many of the Micronesians who are asking for guidance in setting up suitable tax systems. The question is to what extent are they able to tax themselves to provide the modern conditions they ask for.

During the past year, increased attention has been paid to the collection of local taxes with the end in view of paying all elementary school teachers' salaries from locally collected taxes. For this purpose the districts of Truk and Ponape have recently promulgated, with the concurrence of the Council of Chiefs and the Island Congress, respectively, a simple tax on all imports except food intended for human and animal consumption. The Marshall Islands District, in accordance with a resolution of the Marshallese Congress, has a tax on all copra processed for export, for the exclusive purpose of paying the salaries of all elementary school teachers. It is my intention to encourage this healthy sign of local responsibility by fostering additional taxes to the point where not only all elementary school teachers, but also local health aides, will receive their salaries from local revenues.

As the American employees carry on their family homes and normal life as residents of the trust territory, they require conditions not too different from those to which they have been accustomed before entering the trust territory service. For their children they wish adequate medical service and suitable education, and for their families they wish the advantages of some of the modern conveniences that have become necessities to these families while they lived in America. Provision of these things for the Americans sets an example before the Micronesians, who gain desires for similar benefits and advantages. The question is how and to what extent shall the Micronesians attain any such modern facilities as their economy can support. Certain features of health service are regarded as suitable continuing expenditures for the Administering Authority. The same applies to teacher training and certain trade and technical instruction to enable the Micronesians to do work existing in the trust territory government and in which the Micronesians may attain competence. Imports have become neces-

sities in certain cases. This applies to clothing and certain drugs.

Is it sound administration to see the Micronesians becoming accustomed to the enjoyment and use of imports and Western services for which they themselves are able to pay in one way or another? Usually the ability to pay can be gaged by the amount of money or labor they reasonably can advance through a system of taxes or through barter. The administration is assisting the Micronesians to acquire funds through copra processing taxes, import taxes, and income taxes. The sums that are available through taxes are not large in comparison with the costs of services the Micronesians are receiving under the existing administration. The question is how to aid the Micronesians best in an adjustment to services and facilities which they themselves are able to pay for through a tax structure that is practicable for them, rather than have the Administering Authority subsidize such items and thereby reduce Micronesian incentive toward self-reliance.

Health Improvement

One of the features of "change" that all apparently concur in is health improvement. Basically we are trying to eliminate serious diseases, most of which have been brought in by outsiders, although yaws was a bad and extensive disease that had existed from time immemorial.

We are making considerable progress. In fact, control of disease through modern drugs and practices is resulting in a very impressive and, one must admit, startling increase of population.

Our health personnel are rapidly being augmented and in many cases replaced by Micronesians, as the following figures indicate. Students in the technical training program of the Public Health Department:

1. Formal Training	
Enrolled in the Suva School for native medical and dental practitioners:	
To complete a 4-year course in December 1954	25
To complete a 4-year course in December 1955	3
To complete a 4-year course in December 1956	2
Native practitioners serving medical internship—Hawaii	3
Native graduate nurses in formal training—Hawaii	2
Graduates of the Trust Territory Pacific Islands Central School enrolled in the Trust Territory School of Nursing	16
Trust Territory course for training of native sanitarians	15
2. Informal Apprenticeship Training Continuous in Trust Territory Hospitals	
Native medical and dental interns and practitioners	13
Nurse aides, outer-island health aides, laboratory technicians, etc. Average number	35

Another item may be of interest, to wit: a new approach to isolation facilities for leprosy.

Under current arrangements, contagious cases of leprosy are carried to the trust territory leprosarium on the Island of Tinian now administered by the U.S. Navy. This island is strange to most Micronesians and involves serious cost and transportation problems.

Concepts concerning isolation for leprosy are changing. Knowledge of communicability is increasing. More exact classification of the disease is possible. Treatment of early cases is more effective.

It is believed that two smaller isolation units within the civilian administered territory, one at Yap and one at Ponape, would be preferable to one large one.

Based on the foregoing, the following plan is being developed:

- (a) Selection of a tract of land suitable for subsistence agriculture and food gathering accessible to an established hospital and to the sea for fishing.
- (b) Cooperation of the native people (especially members of a family in which there is a case of leprosy) in constructing a well-planned native isolation village with central infirmary for treatment and care of nonambulatory cases.
- (c) Staff with trained native attendant under regular supervision of a physician from the hospital.
- (d) Temporary transfer of surgical cases to the hospital as need arises.

Plans are under way for selection of two suitable sites and arrangements with native leaders for implementing the project as a native undertaking with whatever supervision and imported materials found necessary.

This program is considered practicable, reasonably adequate, and within the resources of the administration and the people.

Employment of Micronesians

Members of the Trusteeship Council who have had experience in administering colonies and trusteeships are aware that the enumeration of a few problems by no means indicates that this present list requiring solution and constant attention is a complete one.

With this understanding, I turn to a fifth problem or cluster of problems arising out of the policy to use Micronesians insofar as is possible in filling positions in government. At the present time, we are able to provide employment to Micronesians in many normal and continuing phases of government work, and in excess of normal administration needs when we have public works construction, stevedoring, maintenance, or repair going on. Such employment is on a tem-

porary basis. The cash income thus made available in the Micronesian economy is appreciated.

The main consideration, however, is to get Micronesians into the permanent government positions now held by Americans insofar as such positions are necessary and on essential operations at appropriate levels. At the same time, we are to provide training on the job for Micronesians, bringing them along to a point where their services are adequate for general administrative needs.

At the present time there are 1,262 Micronesians in this permanent employment category, distributed as follows (these figures do not include employees of the Micronesians by themselves in their municipalities):

Health Services, 237; Education Services, 61; Security and Public Safety, 106; Public Works, 549; Agriculture and other Economic Projects, 149; other categories, 160.

There has been a decrease of 26 Micronesians occupying these public positions and replacing Americans during the past year. However, there has been a decrease of 48 American employees also during the past year. In other words, we are cutting government posts down to a size which the economy largely can support. The problem confronting us is how to carry on the essential operations at an adequate level and at the same time provide training on the job for Micronesians, bringing them along to a point where their services are adequate for general administrative needs. Our methods include on-the-job training by our own American personnel together with the use of training materials provided by the headquarters. The competence of certain Micronesians, if interested in the particular work and adequately trained, is gratefully recognized. Their language limitations constitute, in many ways, serious impediments to their service, but these obstacles are being overcome. In other fields of service, they are really doing an outstanding job. One illustration may suffice:

Dr. Isaac Lanwi is a native medical practitioner who, because of his interest in his patients and his profession, was given an extra year of training in the Hilo Hospital in Hawaii. He specialized in eye surgery. His year's training resulted in what our physicians and the staff at the Hilo Hospital regard as unusual skills. He was accompanied back to Micronesia by the head of the Hilo Hospital, who assisted him in preparing patients and then retired while Dr. Lanwi performed cataract operations throughout the trust territory, all of which have turned out successfully so far. Similar illustrations could be given to indicate the competence of many other native medical practitioners and Micronesians in other lines of work and their capacity to profit by additional specialized training.

We shall appreciate receiving suggestions from the Trusteeship Council members as to the best methods of developing competence in the Micro-

nesians to carry on the important functions of government and other essential services throughout this vast area.

We are affording an opportunity in the field of government for the Micronesians to learn the parliamentary process and for them to practice the use of the secret ballot in elections. In this field we are aware of the problem of providing for the customary and well established conservative or council type of Micronesian government with all of its necessary contributions and benefits and, as noted earlier in this statement, at the same time encouraging the progressive elements to cooperate with the conservatives in sound and constructive development.

Settlement of Land Claims

Our sixth problem may be called land claim settlements or resettlement on lands. As it has been reported heretofore, we have a definite policy prohibiting alienation of Micronesian lands. Any lands being used for government purposes or by anyone except Micronesians themselves are regarded merely as being leased. The title remains with the original owners.

Now it is not clear in many cases who the original owners were and who would constitute the rightful successors in title according to Micronesian customs. This is due to takings by the Spanish, the Germans, and the Japanese. In many cases, as, for example, when the land was taken by the Germans, compensation was made, and an assumption has to be made that the transaction was between free agents and that the compensation was fair. The Germans proceeded to develop copra plantations and to set up small settlements for their administrative uses and residences of their agents. Apparently the Micronesians adjusted themselves to this taking during a period of years and recognized the necessities of the situation without continuing claim or complaint.

When the Japanese entered the picture, they announced themselves as heirs to all lands held by the Germans and declared these to be a part of the "public domain." They also saw that there was a considerable part of communally held land that apparently was not being actively used by the Micronesians and this they added to "public domain." Unfortunately, although this land was not continuously used by the Micronesians in all cases, it nevertheless had a value, and title to it was complete according to Micronesian custom. An illustration of this would be the high lands not regarded as comfortable for residences but necessary for forest reserve and watersheds. Nevertheless, the Micronesians from earliest times used these areas as a source of trees and lumber as well as a source of other mountain growing products—herbs, fiber, stones for their implements, etc. The Japanese operated under the League of Nations Mandate

and their acquisition of lands for their use and for their "public domain" has been regarded as having been carried out in proper form. In other words, it is assumed that the Japanese paid for the land at prices satisfactory to the sellers up until about 1937 or the time when the Japanese excluded other nations from entering the area and discontinued reporting to the League of Nations. Our administration and our land claims officials have been assembling information and testimony and completing a cadastral survey, thus trying to arrive at an overall understanding of the whole land claims problem.

We have difficulty in arriving at a "fair value" determination for many types of claims. We have felt it necessary to complete the survey and studies and find out to what extent people have been injured before adopting any fixed policy or rates of compensation. We have held that it is desirable to act in a manner that is fairly uniform but with allowances for some gradations of value dependent upon former use of the land, location, etc.

Meanwhile, we have been able to provide every Micronesian who has desired land an area to live on and work. In some cases, these have been necessarily on a revocable lease basis depending on definite determination of fact. We have made much progress during the past year in this analysis, although it must be admitted that there are many former owners who are anxious to have settlements completed and inevitably are impatient with our inability to conclude their cases before this date. However, it is a pleasure to record the conscientious and painstaking work done, and that will very soon enable us to close many more claims.

In many cases, the reason Micronesians do not have title to the land they are occupying, or their alleged titles in some cases are in doubt, is due to an almost complete loss of German and Japanese land records and by population shifts due to both Japanese and American military occupation and construction and subsequent permanent military and civil administration requirements.

The chaotic land condition originally facing the present administration is being reduced to one of order pursuant to the broad outline contained in Chapter 15, "Real Property, Trust Territory Code and Land and Claims Regulation No. 1." The principal steps being employed are as follows:

- (1) Surveying and marking with concrete posts the areas of all private holdings. This has been an expensive and time consuming task, but it has been a required starting point in nearly every land case.
- (2) Hearing and evaluating damage or rental claims arising out of use of private lands by the United States and its agencies.
- (3) Determining the perimeters of all former Japanese owned land, both public and private.
- (4) Determining the areas which will be needed

on a permanent basis for civil administration and negotiating with the owners in the case of privately owned land for a reasonable rental.

(5) Establishing areas of public lands, commonly referred to as "public domain," including lands formerly owned by Japanese individuals and corporations.

(6) Establishing the basis for acquiring homesteads.

(7) Negotiating with the Armed Forces for adequate compensation for those lands being retained on a permanent basis for military purposes, including AEC [Atomic Energy Commission] lands.

We are continuing our studies of atolls and of land use.

In addition to the settlement of claims due to taking by government, we now are beginning to have land problems due to overpopulation on some of our low islands. This requires a new form of resettlement, and we are approaching the solution in two ways: (a) by studying atolls to see to what extent we may have atolls or islands on atolls available for use of people that necessarily must be removed from their present or former atoll locations; (b) by study of the hinterlands of the high islands to see how to adapt them for residential and agricultural uses of additional Micronesians.

In centuries gone by, disease, wars, and infanticide placed strict limitations upon the growth of the population. Now, however, disease is being conquered, infant mortality is comparatively low, and interisland wars and infanticide no longer exist. The number of children is very striking throughout Micronesia today. The birth rate is high and survival also is high due to our health services. The population is increasing quite rapidly. This poses a basic problem for the administration where land areas are so severely limited and where necessarily a very large percentage of the high islands are steep slopes and unsuited for habitation but are required for watersheds and forest reserves.

Closing of Island Trading Company

The seventh problem that we have had to deal with during the past year is the termination of the Island Trading Company. This organization has operated since the close of World War II and has served to purchase and market copra and thereupon distribute trade goods throughout the area. It has been operating entirely not for private gain. It has paid all its own expenses, has served without a government subsidy, and has laid up a reserve to be used for the benefit of the Micronesians. It is organized as a stock corporation with but one share of stock, and dividends are never paid, but any possible net surplus has been held for economic betterment of the Micronesians. By act of

Congress, this organization must be terminated as of December 31, 1954. The corporation, therefore, has been developing successors to itself. It has assisted at least one capable and promising Micronesian private enterprise trading company in each district, and in the short time given for the close of its business, it has endeavored to make sure that the flourishing independent firms, which ITC was carrying as "agents" in each district, can be preserved for the benefit of the Micronesians themselves and can be carried on as totally Micronesian-owned stock companies throughout each district.

It is a pleasure to assure the Trusteeship Council that the Island Trading Company now feels quite satisfied with its efforts to establish these successors. At least one Micronesian company in each district has an experienced salaried American manager, and each, with supervision until the end of this calendar year by the Island Trading Company personnel, will be able to assume copra purchasing and trade goods merchandising responsibilities satisfactorily. In fact, some of the trading companies already are engaging in additional enterprises such as soap manufacturing, collection of coir fiber for market, surface transportation, etc.

Distances and Surface Transportation Costs

A further set of serious problems evolves from providing adequate surface transportation throughout this vast area. The resources of the area are so limited that it is not good business nor economical for commercial vessels to provide regular surface transportation for the entire area.

The two CI-MA-VI-4,800-ton (AK) ships that ply between Japan, Guam, and our district centers and carry copra and scrap to Japan, returning some trade goods therefrom and picking up other manufactured trade goods at Guam, are now operating at a slight profit. These, of course, are government-owned ships and no charges are made against Micronesians for the capital investment and amortization. For atolls lying near to the district centers, the Micronesians themselves provide a considerable amount of their own transportation in small sailing craft with auxiliary engines, and we have been stimulating and encouraging this growth; but for the more distant atolls and for the purpose of transporting our administrative personnel and their effects and supplies, we find it necessary to have somewhat larger ships that can carry a more nearly adequate pay load for the longer trips and that can make these longer trips on a fairly regular schedule. These trips are unprofitable. They have to be subsidized. Surface transportation is one of our biggest net expenditures each year. We now have a committee of experienced shipping men advising us on ways to reduce these costs and provide better surface transportation service.

The construction of wharves is in itself a prob-

lem because privately operated ships must charge demurrage due to delays, if they cannot expeditiously effect turn-arounds. By the same token these delays are expensive to government-operated craft. However, to build wharves that are adequate to withstand the storms of Micronesia and provide berthing that will permit rapid dispatch of cargo in almost any kind of weather, including rains, is so expensive that our limited tonnage cannot amortize the capital investment for proper wharf improvements. This again would require large capital expenditures which manifestly will be difficult to come by unless it clearly is established that adequate service cannot be rendered otherwise and without such great expense.

How to improve the surface transportation without increased subsidies is a problem that cannot be solved quickly. We are trying to increase copra production. This again means increased and regular and reliable surface transportation because the Micronesians have no way to store the copra for long periods and they make it only during a short period before the expected arrival of a ship.

We are trying to increase our fisheries and provide refrigerated fish tonnage to attract private shipping and assist in carrying on our own government shipping.

We are looking about for a less expensive type of craft to replace our very expensive AKLS, the 250-ton interdistrict station vessels we now operate. Already we have purchased two motor schooners for this purpose but we still are having to rebuild and alter them to suit our needs.

At the present time, however, it appears to us that if adequate surface transportation is to be provided to insure the administrative inspections required of us as good administrators, there always will have to be somewhat substantial subsidies.

Yen and Other Claims

A vexatious set of problems has to do with the payment of yen, land rental, postal savings, Japanese war bonds, and war-damage claims.

We have not been in the position simply to go ahead and pay these claims as they have been received. We are sure that there are many additional and as yet unlisted claims that will be made as soon as some settlements are made, and we are aware of the danger of precedents in this matter. It is hoped that we soon will be able to deal fairly in connection with many of the claims. In the Saipan District we already have begun to settle the claims for unredeemed yen. We hope to resolve the accrued land rental problem, in part at least, very soon. Various things have delayed the full settlement, but we believe that we have made progress toward closing out these two categories of claims. This will be a welcome situation for all hands.

Summary of Advances and Improvements

There have been some advances and improvements made during the period of our report and during the past year:

Definite efforts are under way and improved plantings have been made in coconuts.

The cacao germination and planting out have gone ahead. Possibly somewhat over 35,000 plants are out and being cared for by chiefs, families, producers, and two government propagation centers.

Cleanup of rhinoceros beetle areas has gone ahead and new coconuts are now beginning to be set out on an island nursery near Peleliu in the Palaus.

We have been able to erect the following permanent structures: power plant at Koror, reefer at Ponape, power plant (half done) at Ponape, two concrete transit warehouses at Majuro, tuberculosis ward at Koror, Ponape warehouse (partly done).

Many old surgical cases have been cleared; some advances have been made in the field of community sanitation.

Improved breeding stock has been distributed and more is on the way (cattle and pigs).

Several new and promising grasses and legumes have been started and are being spread.

Some progress has been made in fishing and the fish industry.

There have been evident advances in self-government according to the elective representative pattern.

Other economic improvement projects have been set up.

We have affected many land resettlement cases and are laboring toward agreements and payments for land rentals and yen redemptions.

We have practically eliminated the need for the government-operated Island Trading Company by turning the function over to the operation of the Micronesian people themselves.

We have reduced American personnel and have replaced many Americans with Micronesian employees. We have gone ahead with special training programs for Micronesians to enable them to qualify. We are making progress toward a level of economy that the Micronesians themselves can sustain but that also is above the mere subsistence level.

We have made progress in aiding the Micronesians to set up tax systems whereby they can pay for education of their children. We have made progress in getting them to pay their native medical practitioners.

Transfer of collection of copra on district-wide basis has been placed in the hands of locally owned trading companies (except for Ponape, where plans are going forward for such transfer).

Government-operated commissaries have been

transferred to local trading companies in every district except Yap.

The trust territory transferred its title in an abandoned Japanese fishing vessel to the people of Kapingamarangi Island in satisfaction of their lien for salvage. This vessel is now operating regularly in Ponape District carrying freight and passengers.

A tropical agricultural specialist was installed as a resident on the Island of Rota to assist in developing the economy, principally by increasing vegetable products for export to the ready market of Guam.

The Rota harbor development work is in progress.

An economic rehabilitation and community development program was begun at Kili for the solution of the economic and social problems of the displaced Bikinian people resident there, under the direction of a Marshallese project manager.

A Self-Government Conference was held at Truk. Delegates from all parts of the territory assembled and discussed political and social problems of mutual interest.

Arrangements were made to terminate phosphate mining operations on the Island of Angaur during the summer or fall of 1954, in order to preserve the remaining agricultural lands for use of the inhabitants.

The South Pacific Commission's support of the community center project at Koror terminated, and it is expected that the center will continue under local auspices.

Cacao nursery plantings at Ponape and Palau were extended, using seed materials obtained from Yap District.

A program to reduce conditions of overpopulation at Ebeye was begun.

Other things might be listed as gains. Probably in some ways, time may show that we have not done so well. We have a long list of things we hope to do and that we are working to accomplish.

At any rate, we have noticed an increased effort on the part of the Micronesians to run their own show, and we have tried to take advantage of this awakened interest.

Help From Advisory Committees

There is one device that we are employing and that is proving helpful to us in planning improvements in our administration of the Pacific Islands; I refer to our various advisory committees.

These advisory committees exist both in Honolulu and in the several districts. In Honolulu the committees are composed of American leaders in respective fields, including health, education, agriculture, anthropology, surface transportation, handicraft, fisheries, and copra stabilization. Hawaii men who are familiar with the islands of the Pacific and their peoples, resources, and prob-

lems, as well as with the Orient, the antipodes, and America, voluntarily gather and consider problems we lay before them, providing us wise counsel drawn from a vast reservoir of their experience and knowledge.

In the districts, the Micronesian advisory committees are set up quite formally and are dignified with not only the name "committees," but in many cases the designation "council" or "congress." Only one who is quite familiar with the wisdom of island chiefs, chiefesses, elected representatives, and other local leaders can appreciate the care and sound judgment such organizations can provide the district administrators. Indeed, it is these very local islanders' advisory committees or councils or congresses that are evolving into bona-fide legislative, judicial, and executive entities. The same applies to local economic and business enterprises. Under competent guidance and as they are endowed with increasing responsibility, it is very encouraging to witness the growth of the islanders in capability in all fields. They gradually and systematically are more and more running the show—and we do intend that they will run their show.

During the past year also, we have availed ourselves of the advisory services of the Pacific Science Board, a division of the National Research Council. This excellent organization has afforded advice and definite cooperation in all phases of applied science, adding the outstanding scientists of the entire nation to our advisory system. During the past year systematic atoll studies and other investigations have been carried on under the guidance of this board.

At all times we are aided by the South Pacific Commission, which provides the relative newcomers in administration north of the Equator in the Pacific Islands a wealth of long experience in dependent peoples and trust territory administration.

We endeavor to implement and apply the recommendations we receive from these bodies, since it is well known that their objectives are entirely in keeping with the provisions of the Trusteeship Council.

Centuries ago, the Micronesians made the long voyages over the ocean in their outrigger canoes. They discovered and settled in the little islands of the Pacific. They planted coconuts, yams, taro, breadfruit, bananas, and they learned how to manage and harvest their lagoons. They developed their very interesting and well-ordered societies, culminating in the councils of elders or chiefs and in influential matriarchs. They devised ways for the control and vital uses of their limited land and limited resources. They evolved traditions and an oral literature often very rich in figures of speech, not dissimilar from the literature of the ancient Greeks and the Hebrews. Their lives are active and well ordered, attuned through centuries of necessity to their environment.

In later years they have observed the accomplishments of the Germans in scientific agriculture and commerce. Then they saw how the industrious and Westernized Japanese developed resources. They now are studying the accomplishments and ways of the Americans.

Like their seafaring and voyaging ancestors of old, many of them have been abroad and have studied ways of people in Japan, Manila, Honolulu, America.

They have a deep desire to increase their own capabilities, to do things that they see modern men doing, and to establish in their own communities some new standards of living.

Basic Objectives

In working with the Micronesians, few of us would attempt to impose upon them the doctrine that ignorance is bliss or that the best life is inactivity. Rather, we believe that the good life is the active life, and we stand ready to assist them toward expanding, and yet suitably founded and supported, undertakings. We work to aid them in their efforts to rid themselves of yaws, tuberculosis, leprosy, and other serious limitations upon living. We wish to aid them in ability to apply modern science to their coconut and other agriculture, to their fishing, and their navigation and communication. We wish to aid them in acquiring knowledge and benefit from written language. And our design in all this is that they may live in peace in their islands and may improve their surroundings and attain greater enjoyment and true benefits from human associations.

In short, we wish to aid them in sound and proper development of their communities and of their own individual lives. We wish them to keep their lands and the status such ownership gives them. We wish them to develop themselves in stature insofar as this is based on sound economy, and we desire that they may achieve a place among men that will be increasingly beneficial to themselves and to others who may observe their peaceful and well ordered adjustment to the world we live in.

Those are our basic objectives. We are building our program to fit those objectives. We move slowly along the road, and possibly to some our attitude toward abrupt change may seem inexcusable; it may appear that in some ways the progress has been backward. If so, we hope it is only realistic adjustment to existing factors and to conditions that inescapably must be determined by environment and available basic resources. We try to avoid false and unsustainable standards but always to aid the Micronesians in their own desires and efforts soundly to improve their communities.

I have imposed upon the patience of the members of the Trusteeship Council in stating our objectives so that, out of the assembled experience here, we may receive aid and direction toward

improving both our objectives and our methods. Short of having an opportunity actually to visit our sister trusteeships, we look forward at this Council meeting to sharing the comment and advice of others experienced in these fields.

U.S. Delegations to International Conferences

Pan American Highway Congress

The Department of State announced on July 6 (press release 367) that the United States Government will be represented at the Sixth Pan-American Highway Congress, opening at Caracas on July 11, by the following:

Chairman and delegate

Walter Williams, Under Secretary of Commerce

Vice Chairman and delegate

Charles P. Nolan, Officer in Charge, Transport and Communications, Office of Regional-American Affairs, Bureau of Inter-American Affairs, Department of State

Congressional advisers

J. Harry McGregor, House of Representatives

George H. Fallon, House of Representatives

Members:

Herbert Ashton, Special Assistant on International Transportation, Bureau of Foreign Commerce, Department of Commerce

Sewell Marcus Gross, Armco International Corporation, for American Road Builders Association

Edwin W. James, Highway Engineer, for American Society of Civil Engineers

Henry H. Kelly, Adviser on Inland Transport, Office of Transportation and Communications Policy, Department of State

Gale Moss, Director of Highways, State of Kansas, for American Association of State Highway Officials

Russell E. Singer, Executive Vice President, American Automobile Association

Francis C. Turner, Assistant to the Commissioner, Bureau of Public Roads, Department of Commerce

Norman B. Wood, Highway Engineer, Bureau of Public Roads, Department of Commerce

The purpose of the Sixth Pan American Highway Congress is to coordinate the efforts and activities of the American Republics for development of the planning, construction and maintenance of highways.

The Fifth Pan American Highway Congress was held at Lima, Peru, during the month of October 1951.

TREATY INFORMATION

Current Actions

MULTILATERAL

Bills of Lading

International convention for the unification of certain rules relating to bills of lading, and protocol of signature.

July 19, 1954

ture. Dated at Brussels August 25, 1924. Entered into force June 2, 1931. 51 Stat. 233.

Adherence deposited: Switzerland, May 28, 1954.

Cultural Relations

Convention for the Promotion of Inter-American Cultural Relations. Signed at Caracas March 28, 1954.¹

Signature: Costa Rica, June 16, 1954.

Salvage

Convention for the unification of certain rules with respect to assistance and salvage at sea. Signed at Brussels September 23, 1910. Entered into force March 1, 1913. 37 Stat. 1658.

Adherence deposited: Switzerland, May 28, 1954.

Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948.¹

Signature (subject to acceptance): Iran, June 10, 1954.

Slave Trade

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953. Entered into force December 7, 1953.²

Signature (with reservation as to acceptance): Egypt, June 15, 1954.

Trade and Commerce

Declaration on the continued application of the schedules to the General Agreement on Tariffs and Trade. Done at Geneva October 24, 1953. Entered into force October 24, 1953. TIAS 2886.

Declaration deposited (recognizing signature as binding): Germany, June 15, 1954.

Third protocol of rectifications and modifications to the texts of the schedules to the General Agreement on Tariffs and Trade. Done at Geneva October 24, 1953.¹

Signature: Indonesia, June 30, 1954.

Weather Stations

Agreement on North Atlantic Ocean Stations. Dated at Paris February 25, 1954.¹

Acceptance deposited: United States, June 23, 1954.

World Meteorological Organization

Convention of the World Meteorological Organization. Opened for signature at Washington October 11, 1947. Entered into force March 23, 1950. TIAS 2052.

Accessions deposited: Bolivia, May 15, 1954; Germany, June 10, 1954.

BILATERAL

Lebanon

Agreement relating to special economic assistance. Effected by exchange of notes at Beirut June 11 and 18, 1954. Entered into force June 18, 1954.

Mexico

Agreement providing for a cooperative project in developmental engineering in Mexico, pursuant to general agreement signed June 27, 1951 (TIAS 2273), as amended. Effected by exchange of notes at Mexico April 6, 1954. Entered into force April 6, 1954.

¹ Not in force.

² Not in force for the United States.

United Kingdom

Agreement relating to additional funds to be made available by the United Kingdom for the continued operation of the U. S. Educational Commission. Effected by exchange of notes at London June 15, 1954. Entered into force June 15, 1954.

Agreement relating to the use of land at Madingley, near Cambridge, as a United States military cemetery. Effected by exchange of notes at London June 21, 1954. Entered into force June 21, 1954.

DEPARTMENT

Appointment

Willard Bunce Cowles as Deputy Legal Adviser (press release 374 dated July 8).

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

United Nations General Assembly—A Review of the Eighth Session. Pub. 5450. International Organization and Conference Series III, 99. 8 pp. 5¢.

A background summary review of questions discussed at the Eighth Session—political and security, social and humanitarian, and economic—as well as a discussion of the proposed charter review and problems regarding the Secretariat.

Toward a Stronger Foreign Service—Report of the Secretary of State's Public Committee on Personnel, June 1954. Pub. 5458. Department and Foreign Service Series 36. 70 pp. 30¢.

The official report of the Secretary of State's Public Committee on Personnel on the present status of the Foreign Service, with their recommendations for improvement through an enlarged, integrated service, re-forming of the Foreign Service Institute, and proposals for raising the morale of the Service as a means of increasing efficiency on the whole.

The China Problem and U. S. Policy. Pub. 5460. Far Eastern Series 64. 20 pp. 10¢.

The pamphlet contains two addresses (Department of State BULLETIN reprints) on China—"Considerations Underlying U.S.-China Policy" by Edwin W. Martin, Deputy Director, Office of Chinese Affairs, and "Present United

States Policy Toward China" by Alfred le Sesne, Officer in Charge, Chinese Political Affairs. Both addresses deal with contemporary problems with China and explanations of U.S. policy regarding these problems.

The Middle East. Pub. 5469. Near and Middle Eastern Series 16. 28 pp. 10¢.

The pamphlet contains two addresses (Department of State BULLETIN reprints) on the Middle East—"The Middle East in New Perspective" and "Facing Realities in the Arab-Israeli Dispute" by Henry A. Byroade, Assistant Secretary for Near Eastern, South Asian and African Affairs. Both addresses deal with problems in this area and with U.S. interest in their solutions.

Americans Abroad. Pub. 5483. International Information and Cultural Series 28. 13 pp. 10¢.

Address (Department of State BULLETIN reprint) by Francis J. Colligan, Deputy Director of the International Educational Exchange Service, dealing with the individual citizen's responsibilities in regard to foreign policy when traveling abroad.

Air Transport Services. TIAS 2610. Pub. 5346. 31 pp. 15¢.

Agreement, with annex and schedule, between the United States and Israel—Signed at Hakiryra June 13, 1950. Exchange of notes—Signed at Tel Aviv February 21, 1951.

Relief From Taxation on Defense Expenditures. TIAS 2719. Pub. 5073. 8 pp. 10¢.

Agreement between the United States and Belgium, effected by exchange of notes—Signed at Brussels March 18 and April 7, 1952. Related exchange of notes—Signed at Brussels March 18 and April 7, 1952.

Surplus Property—Settlement of Obligation of the Federal Republic of Germany. TIAS 2797. Pub. 5211. 15 pp. 10¢.

Agreement, with exchange of notes, between the United States and the Federal Republic of Germany—Signed at London February 27, 1953.

Technical Cooperation—Application to Eritrea. TIAS 2802. Pub. 5263. 4 pp. 5¢.

Agreement between the United States and Ethiopia. Effected by exchange of notes—Dated at Addis Ababa December 24, 1952, and March 30, 1953.

Amendment of Article XVII of the Administrative Agreement Under Article III of the Security Treaty. TIAS 2848. Pub. 5281. 29 pp. 15¢.

Protocol, and official minutes, between the United States and Japan—Signed at Tokyo September 29, 1953.

THE FOREIGN SERVICE

Confirmations

The Senate on July 2 confirmed Sheldon T. Mills to be Ambassador to Ecuador.

The Senate on July 2 confirmed Waldemar J. Gallman to be Ambassador to Iraq.

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365	7/5	Notes on Soviet action against U.S. attachés
*366	7/6	Educational exchange
367	7/6	Delegation to Pan American Highway Congress
368	7/6	Langley appointment
†369	7/6	Johnston's return from Near East
†370	7/7	Third Conference on American Studies
*371	7/7	Educational exchange
372	7/7	Note to Czechoslovakia on abducted soldiers
373	7/8	Cale: Economic relations with Latin America
374	7/8	Cowles appointment (re-write)
375	7/8	Dulles: Recognition of Guatemalan Government
376	7/8	Dulles: Chinese representation in U.N.
†377	7/9	Key: The Oas and the U.N.
†378	7/10	Morton: U.S. foreign policy in perspec- tive
379	7/10	Conciliation of Peru-Ecuador boundary dispute

*Not printed.

†Held for a later issue of the BULLETIN.



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1937, Volume III, The Far East

Documents on the beginning and early stages of the undeclared war between Japan and China comprise nearly 1,000 pages of this volume. Other material included deals with efforts to maintain the integrity of the Chinese Maritime Customs and Salt Revenue Administrations, developments in "Manchoukuo," and consideration of neutralization of the islands of the Pacific or a general Pacific pact of non-aggression.

During the first half of 1937 there was a continuing deadlock in Chinese-Japanese relations. Ambassador Johnson and Ambassador Grew were in agreement in reporting their belief that the Japanese military did not deliberately plan the clash at Marco Polo Bridge on July 7 which precipitated the undeclared war. They were convinced, however, that the conduct of the Japanese military forces was responsible for the conditions which led to the fighting and that the Japanese Army did seize the incident as an occasion for extending Japanese power in North China.

The British Government proposed a "united front" with the United States in efforts to avert hostilities but this suggestion was rejected in favor of "parallel action." The two Governments urged upon both sides that they should avoid hostilities.

Copies of this volume may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for \$4.25 a copy.

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The Department of State

bulletin

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The Department of State bulletin

VOL. XXXI, No. 787 • PUBLICATION 5547

July 26, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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The Organization of American States and the United Nations: Rivals or Partners?

by David McK. Key

*Assistant Secretary for United Nations Affairs*¹

I should like to talk to you today about the relationship between regional organizations and the United Nations. Are they rivals or are they partners? Put more specifically, what is the relationship between the U.N. as a universal organization and such a regional organization as the Organization of American States?

The U.N. was designed to be as nearly universal an organization as possible. It had a responsibility to seek to maintain international peace everywhere. It could therefore admit of no rival. But did that require that the U.N. should be an exclusive agency for maintaining international peace? Could there perhaps also be regional associations for peace?

The recent appeal of Guatemala's former government to the United Nations Security Council regarding alleged acts of aggression brought into sharp focus for the first time the questions of universality and regionalism which had previously been considered only on a purely theoretical basis at San Francisco when the charter was being drafted.

You will recall that on Sunday, June 20, the Security Council, after hearing a long and detailed statement by the Guatemalan representative, voted 10 to 1 to refer the Guatemalan complaint to the Organization of American States. The one negative vote was a Soviet veto—its 60th. On the same day a resolution proposed by France calling for immediate termination of action likely to cause bloodshed was adopted unanimously by the Council. Five days later, the Inter-American Peace Committee of the Organization of American States having meanwhile set in motion steps

to get at the facts, the Security Council decided not to resume consideration of the Guatemalan matter at that time.

These actions by the Security Council raised certain questions which merit study and discussion. Was this a retrograde step on the part of the Security Council? Was it shirking its duty to enforce the peace? Was the Security Council denying a full hearing to a United Nations member? Could it be said that, to be consistent with our record in the Korean case, the United Nations was obligated to take immediate action in the Security Council?

I believe that a review of the background of this problem will show quite clearly that the Security Council was acting wisely and fairly, and in accordance with the true meaning and intent of the charter. The Security Council recognized that an issue was involved which was so fundamental that it brought into question the whole system of peace and security which had been created by the charter at San Francisco.

Universality vs. Regionalism

In the spring of 1945, with most of the major issues already settled, the question of the relationship and jurisdiction of regional organizations vis-a-vis the new international organization arose and had to be answered.

Basically, it was the veto provision in the Security Council in relation to the inter-American system that precipitated the crisis. Significantly, it was the Latin American Republics who asked, "What happens in case of aggression against any one of us? If the Big Five in the Security Council disagree, are we powerless to resort to collective action in our own defense?"

¹ Address made before the Colgate University Conference on American Foreign Policy at Hamilton, N. Y., on July 13 (press release 377 dated July 9).

What the Latin American countries wanted was a self-operating inter-American regional system, one that could act for peace without interference from a Security Council veto. It seemed for a time that the whole idea of the United Nations might fail to be realized because of the difficulty of reconciling the two concepts of universality and regionalism.

This question had the utmost significance at the time, for the Organization of American States has the longest continuous history of any regional agency. The distinctive relationship of the American States goes back over 130 years. Throughout this period there has been a progressive development of closer relationships between the 21 American Republics. This relationship has succeeded over the years in preserving relative peace and security in this hemisphere and a freedom from the kind of holocaust which has repeatedly devastated Europe and Asia. The Organization of American States is an organization founded upon the freedom-loving traditions of Bolivar and Washington. The 21 American Republics had a common experience in their heroic struggles for independence. They have ever since been determined to prevent the extension to this hemisphere of either the colonial domain of European powers or any despotic political systems of Europe. They have repeatedly pledged themselves to settle their own disputes peacefully and have established a system that has demonstrated increasing effectiveness to that end. It is for these reasons that it was absolutely essential that regionalism and universality be blended at San Francisco.

Just prior to the San Francisco conference the 21 American Republics, including the United States, had met in Mexico City for a Conference on Problems of War and Peace. This conference had adopted the "Act of Chapultepec," which reaffirmed the century-old pan-American solidarity and provided for the early conclusion of an inter-American treaty which would recognize the principle that an attack on any one of the American States would be regarded as aggression against all. In such event the proposed treaty would provide for collective action by the American Republics, including the use of force. It would also provide for collective action to deal with other threats menacing the peace and security of the American States.

When the United States adhered to the Act of Chapultepec, we realized that it involved a significant development of the principles of the Monroe Doctrine. It meant that in the event of a future aggression against any one of the American Republics, from inside or outside the Western Hemisphere, it was not just the United States which was committed to take action but all of the American Republics on the principle of all for one and one for all.

Implications of Veto Power

The late Senator Vandenberg, who was one of our principal delegates to the San Francisco conference, recorded in his private diary at the time his full realization of the implications of the veto power in the Security Council to collective security measures in the Western Hemisphere. He wrote: "In the event of trouble in the Americas, we could not act ourselves; we would have to depend exclusively on the Security Council; and any one permanent member of the Council could veto the latter action. . . . Thus little is left of the Monroe Doctrine." He went on to record: "I do not see how we could tolerate a possible situation in which [under the United Nations Charter] we could not deal with a bad pan-American situation at all because (1) we are not permitted to act under Chapultepec and (2) the Security Council is stopped by a Russian or a British or a Chinese or a French veto."

That the American Republics should be free to take appropriate action in such circumstances was and is of utmost importance because of the veto in the Security Council. Given the state of the world, it would have been too much to expect that all of the five major powers would agree to forego all use of a veto. While the veto did not doom the United Nations to futility, it did reflect difficulties in the way of action by a world organization which would not necessarily be found in the way of action of a regional association. For the Latin Americans it was of vital importance that the promises of Chapultepec not be nullified by subjecting American regional action to a Russian veto. A way had to be found to permit an inter-American regional agency to take necessary action regardless of the Russian veto.

This way was found when the United States and the Latin American Republics, over intense Soviet opposition, included in articles 51 and 52 of the charter provisions establishing the rights of regional organizations in matters of collective self-defense and pacific settlement. Article 51 recognized the inherent right of states to individual or collective self-defense. Article 52 recognized the existence of regional arrangements for dealing with such matters related to the maintenance of international peace and security as are appropriate for regional action. This did not impair the right of the Security Council to investigate any dispute or situation under article 34 which might lead to international friction. Any member of the United Nations might bring any dispute or situation to the attention of the Security Council under article 35. Nevertheless under article 52 members of the United Nations who have entered into regional arrangements are enjoined to make every effort to achieve pacific settlements of local disputes through such regional arrangements *before* referring them to the Secur-

ity Council. Paragraph 3 of article 52 states, "The Security Council shall encourage the development of pacific settlement of local disputes through such regional arrangements or by such regional agencies either on the initiative of the states concerned or by reference from the Security Council."

By that formula a balance was struck between regional organization and world organization. The acceptance of that formula made it possible for the Charter of the United Nations to be adopted. Without that formula there would, in all probability, have never been a United Nations.

Just as the United Nations has developed since its founding, so has the inter-American system.

The Inter-American Treaty of Reciprocal Assistance, signed at Rio de Janeiro on September 2, 1947, put into effect both the Act of Chapultepec and the provisions of article 51 of the United Nations Charter. The treaty bound the signatories to consult in the event of aggression either from within or without the Americas and provided for certain measures which, if approved by a two-thirds majority, would become obligatory on all States parties to the treaty. Thus, the Rio Pact, as it is commonly called, established a precedent which has been used in developing the North Atlantic Pact and other regional collective security arrangements.

In 1948 at Bogotá, the Charter of the Organization of American States was drawn up and approved. It further defined the relationship of this regional organization to the United Nations. Article 20 of the Charter of the Organization of American States provides: "All international disputes that may arise between American States shall be submitted to the peaceful procedures set forth in this Charter, *before* being referred to the Security Council of the United Nations."

Role of Security Council

It is in this context and with this background that we should judge the action taken with respect to the recent Guatemalan appeal to the United Nations, which I mentioned at the beginning of my talk.

In the first place there is no question that the Security Council has primary responsibility under the charter for the maintenance of international peace and security. The fact that the Security Council refused to give further consideration to the Guatemalan matter while an agency of the Organization of American States carried out its activity does not derogate from the authority of the Security Council in matters relating to the maintenance of international peace and security. On the contrary, in matters falling within the scope of a fully developed and actively functioning regional agency, the Security Council is under

an obligation to promote pacific settlement through such an agency. This is just what it did in the Guatemalan case.

Secondly, there was no reluctance on the part of the Security Council to have the facts in the Guatemalan case fully aired. The Guatemalan representative exercised his right to bring a situation to the attention of the Council. The Security Council met at once, listened to his complaint, and acted upon it. The decision of the Security Council 5 days later not to resume its consideration of the matter when the regional agency involved was actively considering it cannot be deemed to be a denial of the right of a U.N. member to bring such a matter to the attention of the Security Council.

Thirdly, the Security Council was not shirking its duty to maintain peace and security. It was taking the most effective action under the circumstances by not depriving the regional agency in the first instance of an opportunity to promote a peaceful solution.

Fourthly, the action of the Soviet Union in the Security Council unfortunately confirmed the fears of the founders of the charter at San Francisco. In vetoing Security Council action designed to refer the Guatemalan matter to the Organization of American States, the Soviets had two purposes. By confining the matter to the Security Council, the Soviets hoped to retain a degree of control over the consolidation of their Communist bridgehead in Guatemala. At the same time they sought to cripple, and thereby discredit, the long-established inter-American system.

Fifthly, the Organization of American States was actively and effectively handling the Guatemalan situation. It was acting as the partner, not the rival, of the United Nations. As you know, for some time prior to the recent outbreak in Guatemala, it was apparent that the Communist Party in that State, acting in collaboration with the international Communist conspiracy, had come very close to exercising effective control of that Government, if it did not, indeed, exercise such control. The Communist menace in Guatemala had become so dangerous that the American States could not ignore it. At their Tenth Inter-American Conference in Caracas last March they had declared that "the domination or control of the political institutions of any American State by the international Communist movement, extending to this hemisphere the political system of an extracontinental power, would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America, and would call for a meeting of consultation to consider the adoption of appropriate action in accordance with existing treaties."

When the Guatemalan Government made its accusations against its neighbors before the Inter-

American Peace Committee, the Organization of American States promptly set its machinery into action. The Inter-American Peace Committee established a Committee of Information, composed of representatives of Mexico, Cuba, Brazil, Argentina, and the United States, to obtain the facts to enable it to suggest the most effective methods for reaching a satisfactory settlement. The Committee has kept the Security Council informed regarding its activities. Its fully documented report has been transmitted to the Security Council.² In this manner this agency of the Organization of American States has fulfilled its obligations under article 54 of keeping the Security Council informed.

Prior to the advent of the new anti-Communist Government in Guatemala, the Council of the Organization of American States had called for a consultative meeting of Foreign Ministers in Rio on July 7 to consider the Guatemalan situation. As a result of the change of government this meeting was postponed *sine die*, but it should be noted that the Organization of American States was prepared to see the matter through on the highest level. Thus, the Organization of American States by its actions has demonstrated that, in the words of Secretary Dulles, "There was proof that our American organization is not just a paper organization, but that it has vigor and vitality to act."

Ambassador Gouthier of Brazil, speaking before the Security Council at its second session, put it this way: "For more than 60 years the Organization of the American States has been a useful and efficient instrument for the solution of conflicts, disagreements, and strained situations confronting the American Republics. The Organization has adequate machinery, through the many organs and procedures established by it in order to solve such differences. The long record of achievement of the system of the Organization of American States is a striking demonstration of its capacity to deal with political situations similar to the one which confronts us. In the Organization of American States all the members have equal rights; whether a large nation or a small one, each has one vote on decisions, and the undemocratic principle of the veto is unknown."

Guatemala, a Test Case

The balance between universality and regionalism which was struck at San Francisco was put to a severe test in the Guatemalan case. The outcome, however, proved that under the San Francisco formula the Organization of American States could advance United Nations objectives by functioning effectively in a regional dispute. This was made possible because the Security Council recognized the right of a well-qualified regional

organization to apply its own resources in dealing with such a dispute. It was made possible also because the oldest and largest regional organization the world has ever known faced up to its responsibilities squarely and undertook to carry them out. Fortunately, the circumstances which gave rise to the controversy were changed before action in either organization had been pushed to the ultimate limits.

The actions of the Security Council and the Organization of American States preserved the delicate balance between world and regional organization which was written into the charter at San Francisco. A successful effort to destroy that balance by depriving the active regional organization of the Americas of its responsibilities under the charter would have had the most serious consequences for the United Nations and for the Organization of American States. It would have constituted a heavy blow at peaceful settlement procedures.

The developments in the Guatemalan case broke new ground in the field of international action. It was new not only because it put the regional arrangements provisions of the charter to their first real test. It was also new in that for the first time the inter-American system had to grapple with the insidious mechanisms of the Communist movement, cleverly worked out so as to confuse and hamper effective regional or United Nations action to preserve the independence of Guatemala. The Communist designs have been foiled. The principles of regional and multilateral action have been upheld. The devotion of the United States, whether it acts through the OAS or through the United Nations, to the concept of the settlement of international disputes through joint action by peace-loving states remains unimpaired. New methods will undoubtedly have to be devised, new advances made, in the techniques and arrangements for attaining that objective. They must be adapted to the changing nature of the threat to international peace and justice. But the objective itself remains unchanged: to strengthen the community of law-abiding states, in the regional system and in the United Nations system, so as to build up stronger and stronger barriers against aggression and tyranny.

Recognition of Guatemala

Press release 382 dated July 13

The U.S. Ambassador, John E. Peurifoy, in Guatemala City today informed the Foreign Minister of Guatemala, His Excellency Carlos Salazar, that the U.S. Government has recognized the new Government in Guatemala.

² U.N. doc. S/3267, dated July 13.

U.S. Foreign Policy in Perspective

by Thruston B. Morton

*Assistant Secretary for Congressional Relations*¹

Columnists, lecturers on world affairs, and officials of government as well are prone to discuss policy as though it were subject to precise geographic divisions. You hear references made to "our Latin American policy" or to "American policy toward the Middle East." The users undoubtedly employ this regional approach for the sake of convenience. But, after hearing it for a while, some may be led to believe that there are basic differences in, for example, our Latin American policy and our policy toward the Middle East.

That is not the fact. We have certain well-defined and universal objectives, and we have one policy—a global policy—which is designed to advance us toward those objectives.

At the root, the United States Government has as its primary responsibility the security and welfare of the American people. The position of the Administration is that only through a durable and equitable world peace can these objectives be finally achieved. And the basic, global policy evolved is one which is shaped to move us toward this goal.

I believe I am safe from challenge if I state that the peace just described is still over the horizon—far enough over to justify classifying it a long-range aim. That does not mean that we work for it with any less enthusiasm or that our efforts are diminishing in vigor. Quite the contrary. But it does mean that, while this Nation and its free allies go forward with the slow, arduous, costly, and infinitely worthwhile task of building a peaceful international structure, we have a corollary responsibility in the interim. Concurrently, we must also prevent a third world war.

Now most of us will promptly acknowledge the fundamental absurdity of talking of peace in regional terms. Europe and Asia may be completely tranquil, but if there is fighting in the Middle

East, there is no peace. And logically, we are willing to apply the same rationale to the interim objective of preventing war. We should then not fail to proceed on the assumption that, if an objective is global, the policy formed to achieve it can be of no lesser dimensions.

In theory, very few will dispute this logic. But somewhere along the line, as specific situations develop, it is forgotten or ignored in the tension and strain of the moment, and with it is lost all perspective—a loss which could well prove fatal to us and to our objectives.

Let us consider a case in point. In the province of our interim objective of preventing war, we have to contend with one major element, the imperialist drive of the Communist conspiracy. In that conspiracy lies a continuing threat to the peace of the world.

What can be said of that threat? Is it focused on the Far East? Does it loom more menacingly over Europe than over the Middle East? Are the regions of North Africa and the Western Hemisphere spared the attentions of the conspirators?

In each instance, the answer is no. The men in the Kremlin may have assigned a temporary priority to their expansionist drive in the Far East, but they have not eased pressure on Western Europe. Although the tension in North Africa may not, at this moment, be making headlines, the agents of Communist imperialism are hard at work there trying to exploit the unrest which pervades the area—trying to pervert the cause of nationalism to their own evil purpose. And we have just witnessed a near-miss by the Kremlin in an effort to penetrate and manipulate the government of one of the American Republics, Guatemala.

It is thus apparent that one of the major factors of the Communist threat—and, correspondingly, a major element of the policy we shape to cope with it—is its totality. Certainly, within the limits of our capacity, we should endeavor to meet

¹Address made before the Colgate University Conference on American Foreign Policy at Hamilton, N. Y., on July 11 (press release 378 dated July 10).

Communist moves wherever they occur. But we should be wary of being drawn into a concentrated effort in one locality to the neglect of another. Which brings us back to the matter of perspective. To oversimplify—in international affairs it is poor policy to rob Peter to pay Paul.

In these terms, I should like to take up with you four items of current interest which relate to the Communist offensive. They are also matters, with one exception, which have the strong emotional overtones which so often have an adverse effect on our vision and our judgment.

Defense of Western Europe

Item one deals with the vital problem of the defense of Western Europe and the participation of the Federal Republic of Germany in that defense. I believe that most of you are familiar with the conflict here—on the one hand the plain and practical necessity of West German participation in an effective defense, and on the other the fears of France, and some of the other Western Powers, of German rearmament and a revival of German militarism. France, for example, has ample historical reason for her fears. Three times in less than a century, France has been attacked, overrun, and laid waste by a German army. And the last instance was accompanied by a temporary realization of the nightmare of Europe—an alliance between Germany and Russia. Although we have good reason to believe that present circumstances eliminate any justification of these fears, for the people of France they are none the less real.

French leaders themselves advanced a proposal to resolve this conflict. Under the European Defense Community, the Federal Republic would make a substantial contribution to a European army which by its composition, and the nature of the German rearmament itself, would insure against a revival of militarism in Germany.

Although it was initially a French proposal, it is France that has offered the main stumbling block to the adoption of the Defense Community treaty. Four of the six nations of the proposed Community have ratified, but the treaty has yet to reach the floor of the French Chamber of Deputies for debate.

In turn, this presents the United States with a dilemma. As previously mentioned, in the interest of American security we are convinced that Western Europe must have a defense that will deter Communist aggression and will be strong enough to deal with it should an attack occur. Through the North Atlantic Alliance, we are committed to a participation in this defense and have contributed four infantry divisions to the NATO army. We are also convinced that the defenses cannot reach the required level of effectiveness without the inclusion of troop units from the Federal Republic

of Germany. We have therefore strongly supported the Defense Community project and have exerted all influence we could properly bring to bear on the French Government to ratify the EDC treaty.

But we cannot escape the obvious fact that the issue is solely a matter for the French to decide. If they decide to ratify, a great stride toward a secure Europe will have been made. If the French Chamber refuses, the United States, along with Great Britain and the other nations concerned, will have to adjust to this reality.

It would be incongruous to have Germany make a contribution to the defense of Europe without at the same time restoring to her virtual sovereignty. Germany has ratified the Bonn treaties. Should she be penalized indefinitely for a delay which she has not caused? If French ratification is therefore further delayed, consideration will have to be given to finding means of breaking the present deadlock.

In Europe, as elsewhere, the thesis on which we proceed is that collective action alone can check the spread of communism, prevent war, and secure real peace. And when free nations act in concert, they can do so only on a voluntary basis. That is a part of our great strength. Neither the United States, nor any other individual or combination of individual members, can expect to impose its views on the coalition. Persuasion is permissible; coercion is ruled out.

Thus, if the strong Europe which is so greatly to our interest is to be created, it cannot be manufactured in the United States. It can only develop out of the determination of the nations of Europe to make the best collective use of their individual resources. Europe can be united by Europeans alone.

The Struggle in Indochina

When considering the question of France and the European Defense Community, it is difficult to avoid being aware of another free world problem wherein France is also a pivotal factor. I refer to the struggle of the French Union forces in Indochina against the rebel forces of the Viet Minh—sponsored and supplied by Red China and other Soviet satellites. The covert participation of Peiping in this fight effectively removes it from the category of a revolt and classifies it as a stage of the Communist drive for control of Southeast Asia.

As you know, this has been a cruel struggle. Ho Chi Minh, the Moscow-trained leader of the Viet Minh, has masqueraded as the leader of the forces of freedom and independence. He has also succeeded to a degree in exploiting Vietnamese resentment of the colonial status in which they were so long held. This resentment continues to be directed against the French despite the fact that

the independence of the three Associated States is now threatened only by the militant efforts of communism to enslave them.

In spite of substantial material assistance from the United States, the French military position has worsened. And Premier Mendès-France is now engaged in direct negotiation with the Viet Minh in an effort to reach an acceptable settlement. At this time, we have no way of knowing whether a settlement can be reached and, if one is reached, whether or not it will be acceptable.

However, this much can be safely said. The United States will not become party to any agreement which smacks of appeasement. Nor will we acknowledge the legitimacy of Communist control of any segment of Southeast Asia any more than we have recognized the Communist control of North Korea.

In a larger context—in the context of a threat to the independence of all the free nations of Southeast Asia—the Communist move on Indochina has an even graver meaning. Thailand, alert to the danger of Communist aggression, asked the United Nations to send a peace observation commission to the area to provide an impartial report on developments there.² This Government gave the motion its full support. When it came to a vote in the Security Council, the Soviet Union, exercising the veto for the 59th time, prohibited action.

While awaiting a decision by the General Assembly, the United States is endeavoring to develop, as rapidly as circumstances permit, a collective security system to stem the spread of Communist forces into Southeast Asia. We are also prepared to extend all practicable assistance to cooperating governments in defending the area against Communist infiltration and subversion.

Without detracting from the importance of the Communist offensive against Southeast Asia, the region is only one of several in the Far East being subjected to Communist pressure. The Republic of Korea, Formosa, and Japan alike are receiving their share of Red attention. United States policy is accordingly responsive.

The Republic of Korea and Formosa face substantial Communist military forces. It has been and is our policy to strengthen them militarily and economically. With Japan, the threat posed by Red China's military power is less immediate—due, in part, to the security pact with this country. However, Japan faces grave economic difficulties which Japan's leaders may find difficult to resolve unaided.

Their difficulties can be simply described. Eighty-six million people live in an area the size of the State of Montana. They have few natural resources and, despite intensive cultivation of arable land, cannot raise enough food to feed

themselves. They are the most highly industrialized nation in the Far East and have always depended on exports of manufactured products to pay for the food, raw materials, and consumer goods that they must import.

Japan must trade or starve.

Trade in what markets? Her observance of controls on trade with Communist China rules out a region that formerly was a substantial customer. And markets that Japan formerly had in Southeast Asia before World War II have not been fully reopened.

In the light of Japan's position as a northern anchor of our West Pacific defense line—to say nothing of her position as the only industrialized country in the Far East—it is urgent that something be done. The Administration is investigating means to improve Japanese participation in free world markets, including our own. The Japanese themselves are working to reopen markets in Southeast Asia. Both moves are essential to the development of a self-sustaining and democratic Japan. And if we object to the sacrifice that may be involved, we might consider the alternative—a weak and restive nation increasingly resentful of its dependence on American largesse, frighteningly vulnerable to Communist pressure.

Chinese Representation in U.N.

Still another phase of the Communist offensive in the Far East is the unrelenting pressure of the Soviet bloc to gain admittance for Red China to the United Nations. Although the outcry from various quarters in this country would lead some to believe otherwise, this is not a new Communist push, nor does the American Government believe its chances of success have substantially improved.

In various agencies of the United Nations, members of the Soviet bloc have repeatedly tried to seat representatives of Red China. The issue has been raised over 150 times. On one occasion was the Chinese Communist seated—only to be unseated shortly thereafter.

Since the last rejection of a Red Chinese delegate, the case against Communist China has been strengthened. To their guilt as a declared aggressor in Korea has been added their attempt to take over Indochina. They have refused to conclude a peace in Korea and consequently are still at war with the United Nations. At Geneva, the representatives of Red China denounced the United Nations—an action quite in character with their diplomatic deportment during the past 4 years.

As you know, the United States Government is unequivocally opposed to seating Communist China in the United Nations. To the argument that admitting Peiping to the United Nations will bring about a change of heart, we reply that the United Nations is an international organization

² For text of the Thai request, see BULLETIN of June 28, 1954, p. 975.

dedicated to world peace—and not a reform school. Further, our belief in the soundness of the case against Communist China is firm. As I have said, it is a good case and we believe that the membership of the United Nations will respond accordingly.

Communist Tactics in Guatemala

To complete the circle of Communist expansion, it is necessary to return to this hemisphere, to the Central American Republic of Guatemala, where the Communist conspirators attempted to set up a colony in the New World. Their tactics there followed familiar lines: establishment of cells, gaining control of mass organizations as a prelude to infiltration of government. There was one exception. Heretofore, the Communist strategists have confined their efforts at political takeover to areas within the radius of operation of the Red army. Force or the threat of force, as in the instance of the Czech coup, figured decisively. While, obviously, in Guatemala, the Red army was not a factor, the element of force was introduced by a shipment of munitions from the Soviet sphere. Had the Communist imperialists succeeded, through purely political maneuvers, in gaining control of an independent government far removed from the center of Communist influence and power, they could rightly have claimed a spectacular triumph.

The background of the attempt to establish a Communist satellite in Guatemala is well known to most of you. Communist agents, under the guise of patriotic progressives, wormed their way into the administrative structure of the government. They were abetted to no small degree by a revolutionary situation which, in characteristic fashion, they set out to corrupt. Although their numerical representation in the legislature was small, they controlled it by using the popular-front technique. In turn, legislative control enabled the Communists to dominate the judiciary. From this position, they were able to further their inroads into the executive branch, establishing themselves as a kitchen cabinet and moving in on such mechanisms of government as the social security agency, the agrarian reform apparatus, and official press and radio—all of which were keys to public influence. As a means to this position of dominance, they infiltrated and won control of mass organizations such as labor unions and peasant groups.

The Organization of American States met in Caracas last spring and took official note of the Communist intervention and declared it a threat

to the peace of the hemisphere. The tempo of the movement of the security machinery was accelerated by a move which shocked the hemisphere. Two thousand tons of arms from behind the Iron Curtain arrived on a freighter for the Communist-dominated regime. For all who would see, the Communist objective was clear.

If any further evidence of aggressive Communist intentions was needed, the Kremlin's agents in Guatemala were not reluctant to provide it. A reign of terror against anti-Communist leaders and spokesmen in Guatemala was instituted.

In response, the Organization of American States voted to convene the foreign ministers of the Americas to discuss positive steps to wipe out the threat of Communist intervention. But, before the discussions could take place, an army-supported revolt of the Guatemalan people led to the overthrow of the Communist-dominated regime.

While we can take comfort in the outcome, we ought also to have had our eyes opened. We like to think of this hemisphere as the well-spring of independence and self-government, as the progenitor of political societies that are the antithesis of Marxist dialectic. And yet we have been witness to a Communist penetration that came perilously close to establishing a Soviet beachhead in our midst.

It seems to me that this proximity of Communist aggression should exert a sobering influence. It should first of all persuade the doubters among us that Communist imperialism is a universal force and that the steps we take to deal with it should be tailored to that pattern. It should also emphasize the harsh fact that no single non-Communist power has the capacity, of itself, to check Communist expansion. And it should engrave on our minds the reverse of the foregoing—that the resources of the free world are ample to turn back any Communist effort, provided they are mobilized for the purpose.

No more than that is needed. And it is likely that no less will suffice.

I feel that it is particularly important that we as a people digest these facts. The responsibility of leadership is ours. This is not to say that if anything goes wrong anywhere in the world it is our fault—or that it is necessarily up to us to fix it. But it is to say that it is absolutely essential that we play the leader, that we do not let the heat of emotions rob us of our perspective or let impatience force us to acting on impulse.

It may be a long and weary game, but we hold winning cards if we but play them right.

Secretary Dulles' Trip to Paris

Departure Statement by the Secretary

Press release 380 dated July 12

I am leaving by plane for Paris, where I shall confer tomorrow afternoon and evening with the French Prime Minister, Mr. Mendès-France, and with Mr. Eden, the British Foreign Secretary. This trip follows an exchange of views which took place at Geneva yesterday between the U.S. Ambassador to France, Mr. Dillon, and the French Prime Minister, and an invitation which I received this morning from the French Prime Minister. With President Eisenhower's warm approval I have gladly accepted this invitation.

This trip will demonstrate anew the deep concern which the United States takes in developments in both Indochina and in Europe and our earnest desire to assure such coordinated action by France, Great Britain, and the United States as will best promote the attainment of those goals which we share together with free nations generally.

As regards Indochina, while our long-term interests are identical, there is superimposed upon France and the Associated States a special set of primary interests due to the cruel and costly war now in its eighth year which the Communists have waged against France and Viet-Nam and latterly against Laos and Cambodia. The United States is not itself a belligerent in Indochina, and it is not clear that the interests which we hold in common with France and Viet-Nam, Laos, and Cambodia will necessarily be best served by identical action in all respects. Therefore, my trip to Paris is without prejudice to the previously expressed position that neither I nor Under Secretary Smith have at the present time any plans for going to Geneva, where the United States is presently maintaining contact with developments through Ambassador U. Alexis Johnson and his associates.

My trip does show, I hope, that I wish to leave no stone unturned in seeking to find the course which will best serve the traditional friendship and cooperation of France and the United States and which will promote the goals of human justice, welfare, and dignity to which our nations have always been dedicated.

We also attach great value to preserving the united front of France, Great Britain, and the United States which during this postwar period has so importantly served all three of us in our dealings with the Communists.

Statement on Return

Press release 387 dated July 15

I return from consultations at Paris with the new French Prime Minister and Foreign Minister,

July 26, 1954

M. Pierre Mendès-France. These talks were also participated in by Anthony Eden, the British Foreign Secretary.

These talks have brought about an understanding concerning Indochina much more complete than has heretofore existed. It enabled us to demonstrate anew the solidarity of the Western powers in the face of Communist hostility and intrigue.

The United States has been concerned to find a way whereby it could help France, Viet-Nam, Laos, and Cambodia find acceptable settlements without in any way prejudicing basic principles to which the United States must adhere if it is to be true to itself, and if the captive and endangered peoples of the world are to feel that the United States really believes in liberty.

I had the opportunity in Paris fully to explain the United States position in this respect to M. Mendès-France, whom I had known before but whom I had not met since he assumed his new offices.

The conclusion was that we would ask the Under Secretary of State, Gen. Walter Bedell Smith, to return to Geneva at an early date to renew his participation in the Indochina phase of the Conference.¹ But this is on the understanding, to which both the French and British Ministers expressly agreed, that renewed participation by the United States at the ministerial level will be without departing from the U.S. principles which I had described.

I believe that we have found a formula for constructive allied unity which will have a beneficial effect on the Geneva Conference. And it carries no danger that the United States will abandon its principles.

Visit of President Rhee

White House press release dated July 14

President Eisenhower has invited President Rhee of the Republic of Korea to make a state visit to the United States. President Rhee has accepted this invitation and is expected to arrive in Washington on July 26 accompanied by Mrs. Rhee. The pleasure of President Rhee's visit which has been under consideration for some time has been deferred until now because of the difficulty of arranging a mutually satisfactory date.

The visit of President Rhee to the United States will provide an occasion for the discussions which President Rhee and Secretary of State Dulles agreed upon in their joint statements of August 8, 1953² in the event that the political conference on

¹ General Smith left for Geneva on July 16.

² BULLETIN of Aug. 17, 1953, p. 203.

Korea provided for by article 60 of the Korean Armistice Agreement should fail. The relevant part of the joint statement read as follows:

We will then consult further regarding the attainment of a unified, free, and independent Korea which is the postwar goal the United States set itself during World War II, which has been accepted by the United Nations as its goal and which will continue to be an object of concern of U.S. foreign policy.

The political conference on Korea provided for by article 60 of the Armistice Agreement was held at Geneva from April 26 to June 15, 1954. The 16 Allied participants found it impossible at that conference to secure Communist agreement to the unification of Korea.

In addition to discussions on the problem of Korea's unification, President Rhee's visit will provide an opportunity for a full exchange of views on other problems of mutual concern to the United States and the Republic of Korea.

The visit of President Rhee to Washington will be his first visit to the United States since 1947. It is also the first opportunity the two Chiefs of State have had for a personal and direct exchange of views since President Eisenhower visited Korea late in the winter of 1952 before the conclusion of the Armistice in Korea.

Governors Report on Korea

White House press release dated July 9

Following is the text of a report delivered to the President on July 9 by Gov. Dan Thornton of Colorado and Gov. John Fine of Pennsylvania. Gov. Allan Shivers of Texas, the third member of the committee which visited Korea, was unable to accompany them to the White House.

At the request of President Eisenhower, Gov. John Fine of Pennsylvania, Gov. Allan Shivers of Texas, and myself, as members of the Executive Committee of the Governors' Conference, visited Korea to evaluate the progress of United States programs aiding rehabilitation of our gallant war-ravaged ally in order to provide the public with the essential knowledge and broad understanding to which it is entitled.¹ We are convinced of the simple and inescapable fact that Korea must be kept out of the Communist camp. Moreover, Korea must be helped in her efforts to become a strong self-supporting member of the free-world community. The United States is now engaged in important programs to assist Korea to achieve these common objectives.

Our mission, as directed by the President of the United States, was to observe conditions as they exist and to report to him and to the people of the United States, who, through their taxes, support

¹ For background on the Governors' mission, see BULLETIN of May 31, 1954, p. 836.

the U.S. relief and rehabilitation program in Korea, the progress being made and any improvements we would recommend. We do not profess expert capacity on the technical aspects of the Korean problem as a result of our brief visit. But we can report with reasonable accuracy what we saw and to what extent the activities we observed are helping to solve the overall problem of Korean economic distress which America is anxious to relieve.

It is our conclusion that a good job is being done in administering the United States aid program. The American and Korean people can be assured that operating overhead is being kept at a minimum and that a full dollar value is being extracted for every dollar spent. Measurable progress has been made toward repairing the devastation wrought by the Communist aggression. We believe that this progress will quicken in the months ahead through the joint efforts of Koreans and Americans. Indeed, the United States can only supplement the vast efforts being made by the Korean people who have endured such bitter hardships.

Examples of the progress made under this program are at every hand. For example, today there is adequate food in Korea while 18 months ago many people went hungry. This is due largely to the bountiful rice crop of last year, and to the substantial imports of food financed with foreign aid funds as well as with ROK funds. The large rice crop itself would have been impossible without the huge volume of fertilizer imports financed by the United States. Today there is an adequate amount of clothing in Korea while 18 months ago many people suffered from lack of essential clothing. Today, epidemic diseases such as typhoid, typhus, and smallpox, once widespread, have been brought under control, and the incidence of these diseases is as low as it is in the United States. There are now adequate raw materials on hand for building purposes and for processing in existing Korean factories. Production, while still below desirable levels, has been improving steadily. For example, in 1953 as compared with 1952, cotton yarn production was up 36 percent, cotton sheeting up 40 percent, cement up 21 percent, anthracite coal up 51 percent, electric power up 16 percent. This same pattern is seen when the first quarter of 1954 is compared with the first quarter of 1953. On this comparison cotton yarn is up 36 percent, cotton sheeting up 17 percent, cement up 204 percent, anthracite coal up 9 percent, electric power up 19 percent. Much of the credit for these improvements, of course, is attributable to the energies of the Korean people. Nevertheless, this progress would not have been possible without the important contributions of the United States and United Nations agencies under the general supervision of the Office of the Economic Coordinator in cooperation with members of the Armed Forces.

These accomplishments have been impressive. The needs of the situation are so great, however, that we must press forward to continue and indeed to accelerate this rate of rehabilitation. We were impressed by the sense of urgency manifested by the staffs of Americans and Koreans working on this program. President Rhee has expressed dissatisfaction with the rate at which the aid program is moving. This impatience is understandable when we realize the tremendous task which faces the Government of the Republic of Korea in creating, with our help, a source of economic as well as military strength.

The process of getting plants and factories back into operation is a slow one. Yet significant progress is being made. Textile plants are being put into operation as fast as they can be rebuilt and new spindles put into place. We were struck by the ingenuity and resourcefulness of the Koreans in rebuilding a large textile plant outside of Seoul which had recently been acquired by private business interests. Here we saw bombed-out machinery repaired and new spindles, imported under the aid programs, being installed. Electric power, of course, is basic to economic development in Korea. We visited the Hwachon reservoir and power station north of the 38th parallel which is being rehabilitated with United States assistance. A contract has been signed for the construction of three thermal plants which will add 100,000 kw. of vitally-needed power to the economy. In addition, funds have been committed for the construction of a fertilizer plant to aid the farmers of Korea in increasing their crop production. Furthermore, contracts will soon be concluded for a cement plant and a glass plant.

Notwithstanding these favorable aspects, we believe that additional efforts should be directed toward:

(a) achieving still better coordination between the United States and the United Nations Korean Reconstruction Agency aid programs on the one hand and the Korean rehabilitation and import programs on the other hand;

(b) encouraging the Republic of Korea to increase efforts to stimulate private enterprise and private foreign investment through the establishment of sound monetary reforms;

(c) considering further utilization within the program of U.S. surplus agricultural commodities; and

(d) encouraging the Republic of Korea in taking additional measures toward economic and financial stabilization to permit aid funds to be used to their maximum effectiveness. In this connection, full consideration must be given to the establishment of more adequate credit controls as well as a sound overall monetary and fiscal policy.

We are convinced that Korea and the United States are making measurable progress toward

achieving their common objectives. We recognize that Korea is a vital partner of the free world in the Far East. The accomplishments in Korea and the effort that must be made to promote better cooperation between our Far Eastern allies and ourselves lead us to conclude that a better spirit of neighborliness should be fostered between those countries requiring close economic ties. We therefore believe that efforts should be made to improve the relations between Korea and other Far Eastern countries in order to facilitate the recovery of our gallant war-devastated ally, Korea.

Increase in Military Aid To Thailand

The Department of Defense on July 13 announced a new program of increased military aid and technical assistance to the Government of Thailand.

As a result of staff talks recently concluded between Department of Defense officials and a Thai military mission headed by Gen. Srisdi Dhanarajata, Deputy Defense Minister and Commander in Chief of the Royal Thai Army, a new and additional military-assistance program has been approved for the Thais so as to increase the capability of the Thai armed forces to resist aggression.

Additional emphasis will also be placed on the accelerated development of junior officers, non-commissioned officers, and technical personnel, the announcement stated. The program calls for additional support for Thai training activities, including the provision of weapons, equipment, and technical and training assistance in their use.

In addition to the military-aid grant, the Department of Defense also announced that approximately \$3 million was being made available to the Thai Government for the construction of a highway from Saraburi, in Central Thailand, through Korat to Ban Phai, a distance of 297 miles.

While this highway will be of strategic value in case of military operations in Thailand, its value to the economy of the country will be considerable, the announcement stated.

The program will be administered in Thailand by a Joint U. S. Military Aid Group headed by Maj. Gen. W. N. Gillmore, U. S. Army.

Discussions Concerning St. Lawrence Seaway

U.S.—CANADIAN COMMUNIQUE OF JULY 6

Officials of the Canadian and United States Governments met on Monday and Tuesday, July 5-6,

in Ottawa to discuss the St. Lawrence Seaway.¹ The meeting was held at the request of the U. S. Government in a note dated June 7, 1954,² following passage by Congress of legislation authorizing the U. S. to participate in the seaway project by the construction of canals on the U. S. side of the International Rapids Section of the St. Lawrence River. The meeting explored in a friendly and constructive manner the more important changes which might have to be made in the existing ar-

rangements for the development of the St. Lawrence seaway and fixed a tentative agenda of the subjects which may require to be negotiated or decided subsequently by the two Governments. It is expected that a meeting for this purpose between representatives of the two Governments will be held later this month after both Governments have had an opportunity to consider these subjects in the light of the current discussions.

Germany Makes Amends

by Margaret Rupli Woodward

The Federal Republic of Germany has pledged approximately \$2 billion in an effort to make partial amends for the persecution of minority groups under National Socialism. The programs undertaken rest upon the elementary principle that it is incumbent upon the new Germany to undo, insofar as possible, the wrongs inflicted upon minorities under National Socialism. Although conceived in part by the Western Allied occupation authorities, the compensation and restitution programs are German programs and have been carried out by the Federal Republic as a German responsibility. The German-Israel Agreement

of 1952 providing resettlement assistance to surviving Jews developed from a resolution introduced into the German Parliament by Chancellor Konrad Adenauer recognizing Germany's obligation to make moral and material amends to Jewish victims of Nazi persecution.

The defeat of Germany laid open to the world the enormity of Nazi crimes against minority groups and particularly against persons of Jewish faith. The United States, British, and French occupation authorities recognized that reparation to those who had been injured or killed could not be made in full. But the Allies believed that those who had suffered should be afforded restitution and indemnification for their injuries and losses.

How could the new Germany make such amends? It could, if the victims were still alive, indemnify them for their time spent in concentration camp. It could compensate them for personal injury such as the loss of an eye or a limb. If their property had been looted or destroyed or had to be abandoned because flight to another country was the only course left open to a victim, compensation was again a partial solution. If a person had had his personal possessions seized, or had been deprived of his livelihood, or had had fines unjustly imposed on him because of his race, his faith, or his political convictions, amends could be made. If he could identify property which had once been his, it could be returned to him.

These amends could be made to the living, who could also be assisted to leave Germany and resettle in Israel or elsewhere, and the new Germany has undertaken the responsibility to make them. No such amends could be made to the dead. Where there were surviving relatives, these could be helped by receiving the indemnity due a dead

¹ Participants for the United States were: Ambassador R. Douglas Stuart; Deputy Secretary of Defense Robert T. Anderson; Assistant Secretary of State Livingston T. Merchant; Assistant Attorney General J. Lee Rankin; Wilbur M. Brucker, General Counsel, Department of Defense; Maj. Gen. B. L. Robinson, Deputy Chief of Engineers for Construction; Lewis G. Castle, Administrator of St. Lawrence Seaway Development Corporation; Jerome K. Kuykendall, Chairman, Federal Power Commission; Don C. Bliss, Minister, U.S. Embassy, Ottawa; Tyler Thompson, Department of State; Outerbridge Horsey, Department of State; Francis L. Adams, Federal Power Commission; Raymond T. Yingling, Department of State; Capt. Reynold Hogle, U. S. Navy; George Vest, U.S. Embassy, Ottawa.

Canadian participants were: R. B. Bryce, Clerk of Privy Council; Lionel Chevrier, President, St. Lawrence Seaway Authority; Max Wershof, Assistant Under-Secretary of State for External Affairs; R. A. C. Henry, Director, Special Projects Branch, Department of Transport; Charles West, Deputy Minister of the Department of Transport; J. F. Parkinson, Director of Domestic Economy Policy Division, Department of Finance; Ernest A. Cote, Chief, American Division, Department of External Affairs; Gordon Cox, Department of External Affairs; Sidney Freifeld, Department of External Affairs; Paul Pelletier, Assistant Secretary to the Cabinet, Privy Council.

² BULLETIN of July 12, 1954, p. 50.

relative. But often there were no relatives, for a German Jewish population of over 900,000 persons had been reduced to 25,000.

Indemnification to Victims of Nazi Persecution

From the beginning of the occupation, U.S. policy was to encourage the German authorities to provide compensation to those who had suffered injuries or material damages under National Socialism because of race, religion, ideology, or political opposition. In 1947 U.S. military government appointed a commission to meet with representatives of the four states in the U.S. Zone to draw up a uniform indemnification law. This General Claims Law was drafted by the German authorities in the U.S. Zone and became effective as of April 1, 1949. It provided compensation for (a) loss of life, (b) damage to limb or health, (c) deprivation of liberty, (d) damage to property and possessions, and (e) damage to economic advancement, to persons persecuted in Germany because of political conviction, or on racial, religious, or ideological grounds. The problem of adequate financing was the principal problem in settling claims. Half of the claimants in the U.S. Zone lived in Bavaria, which lacked the economic resources of some of the other states less burdened with claimants.

In the other zones, the situation was even more difficult. There were no uniform laws in the British and French Zones, although legislation was enacted in certain localities. In the Soviet Zone, there were no compensation laws whatsoever.

On September 18, 1953, the Federal Republic of Germany broadened the state laws by enacting the "Supplementary Federal Law for the Compensation of Victims of National-Socialist Persecution." The legislation covered the whole area of the Federal Republic, as well as West Berlin, and brought order and uniformity to the program. It also brought the financial support of the Federal Republic into play.

Eligibility requirements of the Federal law are patterned after those of the earlier state laws. The benefits vary according to the nature of the injury or damage. For example, in the case of a person killed or driven to death, payments are made to the widow or widower, minor children, and sometimes other relatives, the maximum amounts ranging from 50 to 200 Deutschemarks¹ (DM) a month. Indemnification for damage to limb or health consists, in serious cases, of medical assistance and, if the earning capacity is reduced by over 30 percent, a minimum pension ranging from DM 100 to DM 250 a month. A person who was arrested by the police or the Nazi party and interned in a concentration camp or who per-

formed forced labor is to be indemnified by DM 150 for each month during which he was in custody.

As of May 1954, about 500,000 petitions had been received for indemnification in the U.S. Zone of Germany and in West Berlin, and DM 371 million had been paid out as follows:

	DM in millions	
	West Germany	West Berlin
(a) Loss of life-----	18	10
(b) Damage to limb or health--	19	18
(c) Deprivation of liberty----	112	35
(d) Damage to property and possessions-----	26	12
(e) Damage to economic prospects-----	19	22
(f) Hardship cases-----	9	
(g) Advance payments-----	48	23
Total -----	251	120

Restitution of Identifiable Property

The early history of the occupation shows that the four Occupying Powers were in agreement that restitution of looted property was one of the main objectives of the occupation. However, there was a considerable delay in establishing a legal basis for the United States policy regarding the return of confiscated property. In April 1947 the U.S. element proposed a uniform restitution law which had been prepared jointly by German and American authorities in the U.S. Zone. After 7 months of discussion, it became clear that quadripartite agreement was impossible. Efforts to reach agreement on a bizonal or trizonal basis were also unsuccessful, and the U.S. authorities found it necessary to proceed unilaterally. Military Government Law 59 was promulgated in the U.S. Zone on November 10, 1947.²

The basic purpose of Law 59 is to return identifiable property to the largest extent possible to those who were wrongfully deprived of it between January 30, 1933, and May 8, 1945, for reasons of race, religion, nationality, ideology, or political opposition to National Socialism. The restitution program is limited to property which can be located and identified. It is administered by German agencies created for the purpose. German courts adjudicate the claims. Appeals may be taken to the United States Court of Restitution Appeals, which is composed of three American judges whose decision is final.

The last date for filing claims under the Restitution Law was December 31, 1948. The program in the U. S. Zone is over three-quarters completed, some 200,000 cases having come before the restitution authorities, and 150,000 of them having been settled, dismissed, or withdrawn. The estimated

² For a partial text of this law, see *Germany 1947-1949: The Story in Documents* (Department of State publication 3556), p. 434.

¹ The rate of conversion here used is DM 4.21=\$1.

value of the property which had been returned or compensated for as of May 1954 was DM 906 million.

A particular difficulty arises in the case of claims for restitution against the former Reich Government as contrasted with claims against individuals. These have been adjudicated and judgments against the Reich have been awarded but not paid. However, the Federal Republic of Germany has given an undertaking in the Contractual Agreements³ to insure the payment of these judgments up to the amount of DM one and a half billion.

The British and French have enacted legislation in their Zones substantially similar to that in the United States Zone, but there is no provision for restitution in the Soviet Zone. In Berlin Soviet intransigence delayed the adoption of restitution legislation. It was not until July 26, 1949, that the Allied Kommandatura for Berlin, the Soviet member having withdrawn, was in a position to enact a restitution law for West Berlin.

Problem of Heirless Assets

To prevent the turning over to the state of property which once belonged to persons who lost their lives under Nazi persecution, the occupation authorities provided for appropriate organizations to succeed to heirless property. In the U.S. Zone, leading Jewish organizations organized the Jewish Restitution Successor Organization (Jrso) to succeed to heirless and unclaimed Jewish property. Although thousands of cases were amicably settled, Jrso believed that individual settlements would be too big and costly a process for it to handle. In 1950, therefore, Jrso began negotiations with the German state governments, each of which agreed to make a negotiated bulk payment to the Jrso and then to press claims itself against the present German holders.

In all, the Jrso recovered approximately DM60 million through such bulk settlements. Part of this money was used to assist surviving Germans of Jewish faith in the form of grants to the aged and sick and assistance to the new German Jewish communities. Refugees from East Germany were given care and assistance. The remaining Jewish DP camps were emptied as their occupants were absorbed into the German economy or helped to migrate overseas. The young State of Israel also needed help in absorbing its immigrants, and this was given in the form of money for hospitals and

³ These agreements were signed in May 1952 between the Governments of the United States, the United Kingdom, and France on the one hand and the German Federal Republic on the other. When they enter into force, the occupation will end and the Federal Republic of Germany will assume a position of sovereign equality with other free nations. For summaries of the agreements, see BULLETIN of June 9, 1952, p. 888.

schools and assistance to the new industrial and agricultural communities.

No bulk settlement has yet been negotiated in West Berlin, where economic recovery lags behind that in the West Zone. Attempts to secure such a bulk settlement are continuing.

German-Israel Agreement

The principal step in resettlement assistance to Jewish victims was the signing of the agreement of September 10, 1952, between the Federal Republic of Germany and the State of Israel. A year earlier (September 27, 1951) the German Parliament, on the motion of Chancellor Adenauer, adopted unanimously a resolution recognizing Germany's obligation to make moral and material amends to Jewish victims of Nazi persecution. From this resolution emerged the German-Israel Agreement, which provided for the delivery to Israel of DM 3 billion in German goods and services over a 12-year period. The first installment of DM 200 million was made available in May 1952, and the first delivery of goods purchased with these funds reached Israel in August 1953. At the same time there was drawn up between the Federal Republic of Germany and the Conference on Jewish Material Claims against Germany, which consists of 23 international Jewish organizations, an agreement under which the Federal Republic agreed to pay to the Conference the sum of DM 450 million to be used for relief, rehabilitation, and resettlement.

The German-Israel Agreement represented a milestone in Germany's international relations. By assisting Israel materially, Germany made its contribution to the resettlement of the remnant of German and East European Jews and helped rebuild the lives which had been destroyed by the German Reich. In so doing, the Federal Republic took an important step forward in reestablishing itself in the community of nations.

Costs to Federal Republic

The total cost to Germany of the various forms of amends to the victims of Nazi persecution will be approximately DM 7,950,000,000 (2 billion dollars), distributed as follows:

Program:	DM in billions
1. Indemnification	3.0
2. Settlement of restitution claims against the former Reich	1.5
3. German-Israel Agreement	3.0
4. Payments to Conference on Jewish Material Claims Against Germany	.45
Total	7.95

These costs are to the Federal Republic and the German States and will be met out of German taxes. In addition, individual Germans are affected economically by being required to sur-

render confiscated property even though as individuals they may have been bona fide owners.

Taking Funds Out of Germany

At first, Nazi victims living outside Germany found it almost impossible actually to receive money from compensation or restitution awards since Deutschmarks could not be turned into foreign currencies. Within the last year, however, there has been a progressive liberalization of currency regulations. At present a person who is awarded compensation may take all of his payments out of Germany. A person whose property has been restored to him may (1) take DM 500 a month of the proceeds out of Germany, (2) take the whole sum if it did not exceed DM 10,000 at the beginning of this year, (3) exchange his entire account for currencies other than still-scarce U.S. dollars and transfer the funds with the approval of the second country, or (4) by incurring only a slight loss, sell his DM account outside Germany. With these new provisions persons living outside Germany may now have the use of the money awarded them.

Future of Compensation and Restitution Programs

Compensation, restitution of identifiable property, disposition of heirless property, and the agreement with Israel are all programs which represent a conscientious resolve by the new Germany to make amends for the sins of the old. They also represent a significant effort on Germany's part to reestablish itself as a responsible member of the family of nations.

What of the future? As the time for German sovereignty approaches, can the Allies be sure that these programs will go forward without interruption?

To assure such continuation, there were written into the Bonn Conventions between the Allies and the Federal Republic of Germany provisions for carrying on both the restitution and the compensation programs. The Federal Republic, in the Convention on the Settlement of Matters Arising Out of the War and the Occupation, acknowledges the need for and assumes the obligation to implement the restitution program, "paying due regard to the provisions of the Basic Law." In the same convention, the Federal Republic acknowledges the obligation to assure adequate compensation to victims of Nazi persecution, and in fact the Compensation Law described above was passed to meet this provision of the convention.

Thus, the new Germany has given its pledge that the programs to make amends to those persecuted under National Socialism will go forward uninterrupted until their completion.

• *Mrs. Woodward, author of the above article, is a foreign-affairs officer in the Office of German Affairs.*

Admission of Churchmen From Czechoslovakia and Hungary

Press release 390 dated July 17

Secretary Dulles has recommended to the Attorney General that 11 churchmen, official delegates to the Second Assembly of the World Council of Churches from various churches in Czechoslovakia and Hungary, be admitted to the United States for the sole purpose of participating in activities directly related to this and certain other church conferences and only for such time as is necessary to attend these conferences.

During the coming summer there will take place in the United States several Protestant church gatherings of international significance. Among these are the Presbyterian Alliance Conference at Princeton University starting July 27, the World Lutheran Conference in Chicago beginning August 12, and the meeting of the World Council of Churches at Evanston, Ill., from August 15 to 31.

The Department has been informed that Protestant laymen and clergy have been designated from their particular denominations in many countries as delegates to these international meetings. Among those indicating an intention to participate are certain Czechoslovak and Hungarian Protestant churchmen who have applied for visas to enter this country.

It is well known that for a number of years the Communist-dominated regimes of Eastern Europe have been engaged in a campaign of intimidation and persecution against all forms of religion. The purpose of this campaign is to undermine the religious feelings of the peoples of these countries and to make religious groups and religious leaders subservient to the will of the Communist state. In spite of heroic resistance by the people and many of their religious leaders, in each of these countries there have been some churchmen of all faiths who have found it possible to reconcile their faith with public support of communism. Such may be the case with some or all of the clergymen from Czechoslovakia and Hungary who have now applied for admission to the United States to attend these church gatherings.

It is felt that the importance of these forthcoming meetings, from a worldwide religious point of view, is so great that this Government should permit the attendance of all invited delegates who are admissible under the law, in the belief that they will give and receive a spiritual contribution which will serve the cause of worldwide Christianity. Freedom of religion has always been basic to our way of life. Clearly, the spiritual foundation on which this nation rests is too strong to be adversely affected by any pro-Communist activities in which this small group of delegates from Communist-dominated areas might attempt to engage. The

other participants in these gatherings, as well as the American people in general, will be in a position to judge by the conduct of these delegates whether they come here as churchmen or as propagandists of an aggressive and materialistic philosophy fundamentally hostile to religious faith.

The opportunities presented by these meetings for contacts with the spiritual life of America could have a beneficial effect upon these delegates, and thus perhaps make them more aware of their true responsibilities to the peoples of the countries from which they come. Out of this experience could come a spiritual strengthening of the churches in Czechoslovakia and Hungary in the face of the constant and ruthless pressure to which they are subjected.

U. S. Applications in C-47 Case Removed from Calendar of ICJ

Press release 388 dated July 16

The Department of State has been informed that the International Court of Justice has directed that the applications filed by the U.S. Government against the Governments of the Soviet Union and Hungary be removed from the General List, or calendar, of the Court.

These applications were filed with the Court on March 3, 1954.¹ They sought damages from the Soviet and Hungarian Governments in the amount of \$637,894.11 on account of the actions of these Governments in connection with the seizure and detention of a U.S. Air Force C-47 aircraft and crew which came down over Hungarian territory on November 19, 1951, after having been blown off their course and becoming lost while engaged in an innocent flight from Germany to Belgrade, Yugoslavia. The damages included the sum of \$123,605.15, representing the fines against the four airmen which the U.S. Government paid to the Hungarian Government under protest in order to effect their release from Hungary.

The Court gave as the sole reason for the removal of the applications the refusal of the Soviet and Hungarian Governments to take the necessary action to submit themselves to the Court's jurisdiction. The Court did not raise any question with respect to its own competence, had the respondent Governments acceded to the Court's jurisdiction, to hear and determine the questions of fact and law which the U.S. Government's applications against the Soviet and Hungarian Governments raised.

As set forth in the applications which these Governments have refused to answer, the charges against them were, in substance,

¹ BULLETIN of Mar. 22, 1954, p. 449.

1. that the two Governments had violated international law in bringing down and detaining the C-47 aircraft and its crew;

2. that they had mistreated the crew and had been guilty of flagrant and manifest denials of justice in indicting and trying the crew for alleged crimes they had never committed, denying them counsel and other rights to fair trial and imposing on them arbitrary and unlawful punishments;

3. that the fines against the crew members, which the U.S. Government paid under protest, were an extortion of ransom; and

4. that the entire action was planned and conducted in concert by the two Governments for the purpose of extorting the money and converting the aircraft to their own use and in order to provide a false excuse for a propaganda campaign in the General Assembly of the United Nations meeting in Paris in December 1951, that these airmen were engaged in espionage activities even though the Soviet and Hungarian Governments had, by their own investigations, established the innocence of the flight.

The U.S. Government filed its applications in the International Court of Justice after having exhausted all diplomatic attempts to obtain justice in this matter from the Soviet and Hungarian Governments. It did so in the hope that the Governments might at least be willing, in the interest of the administration of justice and the development of international law, to permit the International Court of Justice to pass upon the questions of fact and law which they professed to dispute.

Their refusal to submit to the jurisdiction of the Court and the consequent action of the International Court of Justice come as no surprise. The Soviet and Hungarian Governments' communications to the Court, in reply to the applications which were duly delivered by the Court to these Governments, were not responsive to the applications. The refusal of the Soviet and Hungarian Governments to permit the Court to determine the merits of the controversy points to their awareness of the validity of the U.S. charges of illegal actions of the Soviet and Hungarian Governments.

This conduct on the part of the two defendant Governments merely demonstrates again that, like other governments in the Soviet orbit, they have no compunctions in publicly asserting principles of international law and order but in then refusing to permit those principles to be applied to their own conduct.

The U.S. Government must of course accept the decision of the International Court of Justice. Nevertheless, the charges brought by the United States and the refusal of the Soviet and Hungarian Governments to meet these charges before the International Court of Justice are now a matter of public and permanent record in the world's

highest judicial tribunal. The refusal of the defendant Governments to permit a judicial examination of their conduct in these cases does not give them any absolution for the wrongs they committed, either to the U.S. Government or to the individual U.S. airmen.

Second Soviet Protest Concerning "Tuapse"

U.S. Note of July 4

Press release 364 dated July 5

Following is the text of a note delivered on July 4 to the Soviet Foreign Office by the American Embassy at Moscow:

The United States Government refers to the Soviet Government's note of July 2 with further reference to the Soviet tanker *Tuapse*.

The Soviet Government is well aware that the vessel in question was not seized by the naval forces of the United States and that it has not been detained by United States authorities. The United States Government therefore has nothing further to add to its note of June 26¹ rejecting the unfounded charges of the Soviet Government in this matter.

Soviet Note of July 2

[Unofficial translation]

In connection with the note of June 26, 1954, of the Government of the United States of America regarding the seizure of the Soviet tanker *Tuapse* by a naval vessel south of the Island of Taiwan, the Soviet Government considers it necessary to state that it cannot consider as satisfactory the U.S. Government's answer to the Soviet Government's note of June 24.²

As already stated, the tanker *Tuapse* was seized by a naval vessel of the destroyer type June 23 in the open sea south of the Island of Taiwan. In its note of June 26, the Government of the USA disputes neither the fact of seizure of the tanker *Tuapse* by a naval vessel nor the fact that the region of open sea in which the seizure took place is under the control of the naval fleet of the USA. The Government of the USA in its note merely denied participation of naval forces of the USA in this illegal act, without adducing any proof.

However, it is obvious to all that the seizure of a Soviet tanker in waters controlled by the fleet and patrolled by military airplanes of the U.S. could be carried out only by naval forces of the USA, under whatever flag they may have acted.

In view of the above, all responsibility for the seizure of the Soviet tanker *Tuapse* and also for guaranteeing the safety of its crew and for safekeeping of the tanker and cargo lies in the Government of the USA.

The Soviet Government, confirming its note of June 24, protests to the Government of the USA in connection

with the continued detention of the Soviet tanker *Tuapse* and insists on the taking of immediate measures for the liberation of the above-mentioned tanker, its crew, and cargo. The Soviet Government expects that the Government of the USA will take appropriate measures for the prevention in future of similar illegal actions, which crudely violate the freedom of navigation in the open sea.

Moreover, the Soviet Government retains the right to demand of the Government of the USA compensation for damages caused to the Soviet Union in connection with the seizure of the tanker *Tuapse*.

U. S.-Greek Offshore Procurement

Address by Cavendish W. Cannon

Ambassador to Greece¹

I am very happy to be here today to participate in the inauguration of the plant—the newest source of strength of the common defense effort in which the nations of the free world are engaged. As you all know, the opening of this plant is closely associated with the Offshore Procurement Program, which was conceived as a means of broadening the military-production base of the free nations and thus bolstering their capacity to ward off aggression.

It has always seemed to me that the Offshore Procurement Program has a special character, combining as it does so many of the basic precepts of sound international cooperation. Unilateral in origin, the program is bilateral in operation and multilateral in effect. The United States purchases ammunition produced in Greece with joint assistance, for delivery to any of the NATO countries. Equally significant is the fact that the program provides employment for several thousand workers and will earn substantial foreign exchange as the orders, totaling about \$35 million, are filled. It is the kind of joint venture that offers hope and strength to the free world. It has, I believe, many of the elements of collective and individual action which His Majesty personally, and the Greek Government, have urged the Greek people and all free men to support.

The Offshore Procurement Program, however, represents only one phase of our overall common defense effort. Another phase, one of the very highest importance, was entered last October with the signing here in Athens of the Greek-U.S. Military Facilities Agreement.² I wish to express the appreciation of my Government and the American people for the splendid cooperation of the Greek Government and the Greek Armed

¹ Made at inaugural ceremony of Hymettus plant of Greek Powder and Cartridge Co. at Athens on June 10.

² For text of agreement see BULLETIN of Dec. 21, 1953, p. 863.

¹ BULLETIN of July 12, 1954, p. 51.

² *Ibid.*

Forces in making possible the realization of the program provided for under this agreement. This joint effort, together with the Offshore Procurement and other multilateral programs in which our two countries participate, will strengthen this area and other areas of the free world and will thereby contribute significantly to our mutual efforts to maintain the peace by deterring potential aggressors.

An agreement such as the Military Facilities Agreement can be successfully implemented only where a special relationship of confidence, mutual understanding of each other's problems, and the will to solve them exists. Such a relationship most certainly exists between the people of Greece and of the United States. When practical problems do arise, whether they are of a military, economic, or even juridical character, we shall consult with each other and find solutions which serve the national interests of both countries.

A spirit of close and friendly cooperation permeates all activities under this program. Facilities for U.S. Forces will be provided on Greek bases. To the maximum extent feasible, Greek labor, technicians, and materials will be employed in the construction of these facilities, which are being built at the expense of the United States. It is the essence of this program that it be conducted in the closest kind of partnership—it cannot be otherwise.

Eric Johnston Reports Agreement on Sharing of Jordan Waters

Press release 369 dated July 6.

Ambassador Eric Johnston has informed the President and the Secretary of State that Syria, Lebanon, Jordan, and Israel have accepted the principle of international sharing of the contested waters of the Jordan River and are prepared to cooperate with the U.S. Government in working out details of a mutually acceptable program for developing the irrigation and power potentials of the river system.

On his return from a 4-week visit to the area for discussion with Arab and Israeli representatives, Mr. Johnston said that the attitudes of the interested states clearly indicated a desire to evolve a workable plan for economic development of the Jordan Valley despite the difficult political issues outstanding between Israel and the Arab countries. Progress made during the negotiations just concluded has encouraged him to believe that an early understanding on all aspects of such a plan is now a possibility. Mr. Johnston stated that the plan involved acceptance by the Arab countries and Israel of the following principles:

1. The limited waters of the Jordan River system should be shared equitably by the four states

in which they rise and flow. This principle was implicit in the valley plans put forward respectively by the Arab states and Israel, both of which clearly recognized the right of the other states to a share of the available waters. It was affirmed by both sides during the recent conversations with Mr. Johnston.

2. A neutral impartial authority should be created to supervise withdrawals of water from the river system in accordance with the division ultimately accepted by all parties. The precise nature of such an authority remains to be determined.

3. Amelioration of the condition of the Arab refugees from Palestine should be a principal objective of the irrigation program for the Jordan Valley.

4. Broad lines of understanding as to the total program should be reached at the earliest possible time, not only in the interest of the refugees but in the interests of economic progress and stability in the area.

5. Storage of irrigation waters for the valley in Lake Tiberias (Sea of Galilee) will be considered open-mindedly by all parties, when progress in developing the valley indicates the necessity of using the lake as a principal reservoir.

Mr. Johnston made it clear that while the foregoing principles form a solid basis for further negotiations, there remain a number of specific points on which differences must be reconciled before the valley project can be realized. All of the states concerned have requested that the Government of the United States continue to exercise its good offices in reconciling these outstanding differences.

Ambassador Johnston's mission in the Near East began last October when the President asked him to lay before the Governments of Syria, Jordan, Lebanon, and Israel a report on unified development of the Jordan Valley prepared by an American engineering firm at the request of the U.N. Relief and Works Agency for Palestine Refugees. On his first visit to the area, the states concerned agreed to consider the suggestions contained in the UNRWA report. The Arab countries later submitted a plan for the valley's development and Israel also put forward a plan to Mr. Johnston. These three plans formed the basis of the recent discussions.

Importation of Jerked Beef

A PROCLAMATION¹

WHEREAS Proclamation No. 2545 of April 1, 1942, issued under section 318 of the Tariff Act of 1930 (46 Stat. 696; 19 U. S. C. 1318), authorizes the Secretary of the Treasury to permit, under such regulations and subject to such con-

¹ No. 3061; 19 Fed. Reg. 4397.

ditions as the Secretary may deem necessary, the importation of jerked beef free of duty for distribution or sale to consumers in Puerto Rico; and

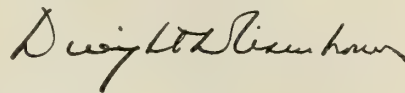
WHEREAS it now appears that it would be in the public interest to terminate such proclamation as hereinafter provided:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, under and by virtue of the authority vested in me by section 318 of the said Tariff Act of 1930, and as President of the United States, do hereby terminate the said Proclamation No. 2545, such termination to become effective on the thirty-fifth day following the date of this proclamation.

IN WITNESS WHEREOF I have hereunto set my hand and

caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twelfth day of July in the year of our Lord nineteen hundred and [SEAL] fifty-four, and of the Independence of the United States of America, the one hundred and seventy-ninth.



By the President

JOHN FOSTER DULLES

Secretary of State.

The United States and the World Economic Situation

Statement by Preston Hotchkiss

U.S. Representative in the U.N. Economic and Social Council¹

(U.S./U.N. press release 1935 dated July 12)

Although I am no longer a newcomer to this forum, this is the first time it has become my pleasant duty to participate in one of the Council's annual discussions on the world economic situation. This agenda item affords us an opportunity to exchange views about world economic conditions generally before we proceed to the consideration of recommendations for dealing with particular economic problems. The item also enables each of us to review recent economic developments in his own country which merit the attention of other members of the Council and to appraise the significance of these developments in a broad perspective. In this discussion we are, I believe, engaged in an important and challenging task. I am happy to be able to share in it.

To assist us, we have again been provided with an impressive body of documents designed to serve not only the needs of the Council and other organs of the United Nations but also the needs of interested members of the general public. Our thanks are once more due to the secretariats of the regional economic commissions for the economic surveys of their respective geographical areas and to the Secretariat of the United Nations for its comprehensive review of world economic conditions and the supplements dealing with areas not within the purview of the regional commissions.²

During the past decade the world has had to face a series of difficult readjustments.

¹ Made before the Council at Geneva, Switzerland, on July 7.

² *Economic Survey of Europe in 1953*, U.N. doc. E/ECE/174; *Economic Survey of Latin America, 1953*, U.N. doc. E/CN.12/358; *Economic Survey of Asia and the Far East, 1953* (printed in the *Economic Bulletin for Asia and the Far East*, February, 1954, Vol. V, No. 4); *World Economic Report 1952-1953*, U.N. doc. E/2560.

By 1950 the basic tasks of postwar reconstruction had largely been accomplished. Western Europe, through its own strenuous efforts and the help extended through the foreign-aid programs of the United States, had gone far toward recovery from the shattering blow which war had dealt to its economy. Industrial production in this area as a whole had risen above the prewar level. The trade balances of the region and of its component countries generally had greatly improved. The deficits with the United States, which had been covered largely by our grants and loans, had substantially diminished. On the other side of the world, in Japan and the war-devastated areas of Asia, considerable economic recuperation had also been achieved.

The success achieved within a few short years in restoring economies impoverished and disrupted by the most devastating war in recorded history bears witness to the strength and resiliency of the human spirit. Magnificent though the effort was, it had to be devoted largely to rebuilding what had previously been destroyed. However, the foundation was laid upon which mankind could construct a healthy and steadily expanding world economy. There was hope that men might now be free to devote their energies and resources to this purpose without again feeling the compulsion to divert them in part to the multiplication of weapons of destruction.

Growing Soviet Military Might

This hope was not to be realized. Although Soviet Russia did not disarm after the war, as did the Western Powers, not until the aggression on Korea did it become apparent that the free world could no longer face complacently the growing

military might of the totalitarian powers. For its own defense it had to rearm. Since then the free world economy has had to adjust and readjust itself to the varying impacts of that cruel need. This recent experience was characterized by a sharp rise and subsequent fall in raw material prices and other short-term fluctuations in relation to production and international payments.

By 1953, however, as the *World Economic Report* notes, the force of these movements seemed to have been spent. World production and consumption had risen to record levels; unemployment was in most countries relatively low, while in many countries inflationary pressures had been eliminated or checked. By and large, the world economy was in the most satisfactory condition it had enjoyed since the beginning of World War II.

Despite the taxing demands imposed by defense requirements, the free-world economy has continued to progress toward higher living standards. If so much could be accomplished under the handicap of rearmament programs, how much more might be achieved if mankind were freed from its heavy load! The U.S.S.R., however, has proved unreceptive to all our proposals for the reduction or control of armaments. Conference after conference designed to ease the international tension and remove the fear of armed aggression has ended in virtual failure. We in the free world must and will maintain whatever military strength may be needed for our effective defense. Nevertheless, we shall continue to explore every avenue that gives promise of leading to a more peaceful world. Assurance that this is our intention may be found in the joint declaration issued by President Eisenhower and Prime Minister Churchill at the conclusion of their conversations in Washington.³

In this connection, I should like also to remind the Council of the vital importance of the proposal advanced by President Eisenhower in his historic address before the United Nations General Assembly last December 8.⁴ In that address President Eisenhower discussed at length the tremendous new force of atomic energy which seems to so many to be merely a force for destruction. The President stated that "if the fearful trend of atomic military buildup can be reversed, this greatest of destructive forces can be developed into a great boon, for the benefit of all mankind."

The President, as we all know, then proposed the creation of an international atomic energy agency to which nations could contribute from their stockpiles of normal uranium and fissionable materials. This agency would have the power to allocate these materials to serve the peaceful pursuits of mankind. The President continued: "A

special purpose would be to provide abundant electrical energy in the power-starved areas of the world. Thus the contributing powers would be dedicating some of their strength to serve the needs rather than the fears of mankind."

In March of this year the United States provided the Soviet Union with an outline for a proposed international atomic energy agency. In April a reply was received which was, to say the least, disappointing. I believe that all the countries of the world—particularly the underdeveloped countries to which power from atomic energy would be such a boon—would find it hard to forgive the recalcitrance of a country which, by refusing to join the agency, would prevent or delay the setting up of an agency.

At present the United States Congress is engaged in amending the Atomic Energy Act to permit the United States to cooperate with friendly foreign countries in the atomic energy field.⁵ By these proposed amendments the groundwork is being laid for a future era of peace when atomic energy will be doing constructive work in the world.

U. S. Economic Situation

I turn now to the current economic situation in the United States. Although 1953 as a whole was in many respects a record year for our economy, economic activity, after rising to a peak at the midpoint, subsequently turned downward. This decline has caused the entire free world some anxiety and the near-term outlook for the American economy is therefore a matter of great and immediate interest abroad as well as at home. The evidence shows that, hitherto at least, the decline has been moderate and that it has probably been halted.

In assessing the nature and significance of the downturn it is important, in order to maintain some perspective, to bear in mind that it followed upon almost a decade of steady postwar expansion with virtually no interruption, other than the brief recession of 1949. It is not altogether surprising that, under these circumstances, there should be another dip in business activity. There is, though, no reason to assume, as some do, that the current downturn must necessarily project us into a severe and prolonged recession.

The main facts as to our recent experience are briefly these. Our gross national product, which expresses the market value of all the goods produced and services rendered, averaged during the first quarter of this year about 4 percent less than it did during the second quarter of 1953, when an all-time record was set. The most significant

³ BULLETIN of July 12, 1954, p. 49.

⁴ *Ibid.*, Dec. 21, 1953, p. 847.

⁵ For the views of the President and of Secretary Dulles on these amendments, see *ibid.*, Mar. 1, 1954, p. 303, and June 14, 1954, p. 926.

change has been in industrial production, which fell during the second half of last year but has kept fairly steady over recent months at a level roughly 10 percent below the peak of a year ago. The May 1954 figures show that unemployment rose in the course of a year from 1.3 million to 3.3 million, or from 2 percent to 5 percent of the civilian labor force.

A private enterprise economy, an economy of free opportunity, permits its workers and employers to make their own choice as to where they shall work and what they shall produce. In the exercise of this freedom of decision some unemployment of a frictional and temporary nature results. We are at present concerned because unemployment is currently somewhat above the level which can be attributed to this cause. We should not, however, lose sight of the fact that the total civilian labor force has been expanded by over a million during the past year, with the result that the number of persons actually employed declined by only 600,000. In May of this year we had 61.1 million people holding civilian jobs as compared with 61.7 million the previous May.

The confidence of businessmen and investors has not been shaken during the past year but on the other hand has been maintained. Outlays for plant and equipment and for housing have remained virtually at 1953 levels. Expenditures for personal consumption have also kept up well. Tax reductions and unemployment compensation have helped to sustain the disposable income of individuals. Price supports have propped up farm income. While consumers have spent less for goods, they have spent more for services. Cuts in federal expenditures have been partly offset by an increase in state and local government outlays. In short, aggregate expenditure for fixed investment and consumption has been well maintained although there have been shifts in the relative importance of the different kinds of outlays that make up the total.

The types of government and consumer outlays which have fallen have been those for the products of manufacturing industries. In addition, there has been a very marked reduction in the rate of business inventory investment—also chiefly in goods produced in the manufacturing sector of the economy.

These two considerations account for the much sharper decline in industrial production than in other components of output. I shall explain them more fully in a moment.

First, however, let me digress briefly to point out the gratifying fact that the decline in our economic activity has not been accompanied by any substantial net reduction in the outflow of American dollars. Our merchandise imports, it is true, have declined by about one-tenth—or at the rate of around \$1 billion a year—from the high level of the first part of 1953, but dollar outpayments for other purposes have held up and in some instances

have been increased. Our tourists have been flocking abroad in increasing numbers and, as is well known, they do not watch every nickel they spend. Dollar payments for military goods procured outside the United States have increased.

While we have reduced total foreign aid, I am happy to say that we have increased assistance to underdeveloped countries. Notwithstanding a substantial reduction in aid to Western Europe, its economies generally have expanded their production, improved their fiscal and monetary positions, and developed and diversified their international trade. It is a welcome fact that Western European countries are maintaining a high level of economic activity and that they have been experiencing no counterpart of our own recession.

Explanation of Recession

I return now to the explanation of this recession. Since the Korean Armistice, our Government has curtailed its defense production program, and cutbacks in defense orders have contributed to the decline in production and rise in unemployment. Let no one doubt that the people of the United States are heartily in favor of any reduction in defense expenditure which can be made without impairing their national security. But, flexible though our economy is, it can hardly be expected to readjust itself immediately and painlessly to a cut in programed national security expenditures of about \$5 billion a year. There is no great backlog of deferred civilian demand, as there was at the end of the war, to enable the transition from military to civilian production to be accomplished as it was then, and on a vastly greater scale, with a speed and smoothness which astonished the world and confounded the prophets of gloom.

A major part of the decline in industrial production, however, has been attributable to the substantial shift in the views of businessmen—including manufacturers, wholesalers, and retailers—as to the size of the stocks of goods which they wished to hold in inventory. For a year prior to the middle of 1953, although sales of goods for final use were rising, production was growing still more rapidly. As a consequence, inventories were being accumulated. By the second quarter of 1953 they were piling up at the annual rate of \$6 billion. Businessmen became concerned about this situation, particularly when sales, instead of advancing, began to fall off. They therefore took steps to reduce inventories by allowing them to be worked off without equivalent replacements. Production for inventory was cut, workers were laid off, and the effects of the adjustment tended to spread through the economy.

In the first quarter of 1954 inventories, instead of accumulating, were shrinking at the rate of \$5 billion a year. We may attribute to this

drastic shift from inventory accumulation to inventory liquidation over four-fifths of the concurrent decline in total production.

The decline in production has shown no tendency to gather momentum. The industrial production index remained steady in March and April and in May rose slightly. Prices have remained fairly stable. There is evidence that consumer outlays for durables have been tending to rise again. Defense expenditures have been reduced to approximately the level to be sustained under present programing. These circumstances warrant the expectation that businessmen will soon feel that inventory liquidation has proceeded far enough and even that they may venture upon some cautious rebuilding of stocks.

In appraising the near-term outlook for the United States economy, we must bear in mind the many factors that strengthen its ability to resist depression. These include the large volume of savings which our people have accumulated and hold, to a large extent, in fairly liquid form; our system of unemployment insurance; our numerous private and public pension programs, including social security; and our Federal bank deposit and mortgage guarantee insurance systems. Large corporations in the United States are, to an increasing degree, establishing long-range capital budgets for the expansion of plant and equipment, and there has been no indication of any loss of confidence which would induce them to contract these budgets.

Beyond these sustaining forces is the determination of our Government to take whatever steps may be required to maintain the health of our economy, should the readjustment process which now seems under way show any tendency to falter. Although ours is a free enterprise economy, government activities play a large role in our economic life, and whenever it may become necessary for the Government to supplement the efforts of private business to keep the economy operating at a healthy level, it stands ready to do so.

As to what the Government can do, let me quote President Eisenhower. In his letter to the Congress of the United States transmitting his economic report in January of this year,⁶ the President made the following statement:

The arsenal of weapons at the disposal of Government for maintaining economic stability is formidable. It includes credit controls administered by the Federal Reserve System; the debt management policies of the Treasury; authority of the President to vary the terms of mortgages carrying Federal insurance; flexibility in administration of the budget; agricultural supports; modification of the tax structure; and public works. We shall not hesitate to use any or all of these weapons as the situation may require.

The United States is determined to keep its own economy strong and sound. Our success in this determination will, we believe, not only insure the

⁶ H. Doc. 289, 83d Cong., 2d sess.

material well-being of our own people but make a major contribution to world economic stability.

While we cannot be absolutely certain that economic activity in the United States will expand in the near future, we can be confident that the long-term outlook for our economy is bright. Let me mention briefly some of the considerations on which this confidence rests.

(1) Our population is growing at a rapid rate. It has risen by about 20 million since the end of the war—an increase in the space of less than a decade of no less than one-seventh. It is estimated that by 1960 our population will have increased from the 161 million at which it stood at the end of 1953 to between 175 and 180 million. A growing population will mean a constant increase in the demand for goods and services.

(2) To meet growing consumer requirements, there will be a continuous need for new construction of all kinds, including not only houses and apartments but factories, office buildings, hospitals, streets, highways, and other structures.

(3) The American people are firm believers in the value of scientific and industrial research. Expenditures for this purpose in the United States have grown fourfold since 1941 and in 1953 totaled approximately \$4 billion. Of this sum, our Government contributed no less than \$2.5 billion, \$1.4 billion being provided by industry and the balance by nonprofit institutions. Research leads to invention, to the development of new raw materials, new uses for existing raw materials, new products and new processes. The fruits of research, supplementing imagination and enterprise from outside the laboratory, are embodied in a wide range of products that were virtually unknown a decade or so ago but are now enjoyed by the mass of our people. I need only mention such items as air-conditioning, plastics, and television. This research results in rapid technological changes, accelerates the obsolescence of machinery and equipment, and provides constantly growing opportunities for capital investment.

(4) The American economy is highly flexible as well as dynamic. The never-ceasing developments in industry necessitate readjustments of many kinds to which our people adapt themselves with great facility and willingness.

(5) American businessmen are constantly striving to find cheaper and better ways of producing goods and performing services; labor, as well as management, has no fear of labor-saving devices. We have learned well the elementary economic lesson that, though these devices may cause some temporary dislocation, in the end they help to expand employment, to increase its rewards, and to raise living standards.

(6) Finally, the competitive free enterprise system, as it operates in my country, provides incentives to our people, in whatever walk of life

they may be, to put forward their best efforts, knowing that opportunities are available for those who have the will and ability to seize them, that well-directed efforts bring worthwhile rewards, and that the fruits of greater and cheaper production will be shared by all in the form of higher living standards and increased leisure.

I do not wish to suggest, Mr. President, that our economic progress, assured though I believe it is, will be unbroken. The growth of new industries, the contraction of old ones, and changes in the tastes and habits of consumers necessitate a shifting and readjustment of resources which cannot be accomplished without occasionally halting or even reversing for a short time the forward march of the economy. The American economy, too, cannot remain unaffected by developments abroad. The repercussions of these, we must in all fairness recognize, may sometimes be adverse as well as beneficial.

I repeat, Mr. President, we are confident that our country has before it a great future. We are convinced also that our economic progress will contribute not only to the raising of the living standards of our own people but to the strengthening of the entire world economy.

Marshall Islanders' Petition to Trusteeship Council

U.S./U.N. press release 1932 dated July 7

STATEMENT BY MASON SEARS U. S. REPRESENTATIVE IN THE TRUSTEESHIP COUNCIL

The fact that anyone was injured by the recent nuclear tests in the Pacific has caused the American people genuine and deep regret. The United States Government considers the resulting petition of the Marshall Islanders to be both reasonable and helpful.¹

Why—it may be asked—should the homes of these people, so far removed from international politics and the cold war, become the site for such experiments? The answer is that the Marshall Islands were selected only after the most careful examination of every possible alternative site. The United States Government found that there is no other place in the world over which the United States has jurisdiction where experiments of this nature could be successfully conducted with less danger.

The question may also be asked whether the United States has the right to conduct such experiments in this area. The Trusteeship Agreement of 1947 which covers the Marshall Islands was predicated upon the fact that the United Nations clearly approved these islands as a strategic

area in which atomic tests had already been held. Hence, from the very outset, it was clear that the right to close areas for security reasons anticipated closing them for atomic tests, and the United Nations was so notified; such tests were conducted in 1948, 1951, 1952, as well as in 1954.

As to the question of continuing these experiments, which is also raised in the petition, the facts are unhappily clear. No one could reasonably contend that the Soviets should be the only nation to conduct nuclear experiments. At issue therefore is not the right to conduct these experiments. The question is whether the United States authorities in charge have exercised due precaution in looking after the safety and welfare of the Islanders involved. That is the essence of their petition, and it is entirely justified.

In reply, it can be categorically stated that no stone will be left unturned to safeguard the present and future well-being of the Islanders. The United States Government is confident that future tests can be conducted without any untoward incident. And, finally, the United States delegation is glad to report that all Marshall Islanders and the American military personnel who were exposed have now recovered.

STATEMENT BY FRANK E. MIDKIFF HIGH COMMISSIONER, PACIFIC TRUST TERRITORY

As Mr. Mason Sears has pointed out, there are good and sufficient reasons why the atolls of Eniwetok and Bikini were selected by the United States for some of her experiments with atomic weapons and for learning of the potentialities of nuclear fission. Also he has explained why such experimentation must continue. He has stressed the fact that the Administering Authority has now been able to set up revised specifications for the tests on the basis of experience whereby the safety, economy, and comfort of the Marshallese can be effectively preserved in the future. Guaranties are given the Marshallese for fair and just compensation for losses of all sorts.

No further atolls are believed to be required for these tests. The Uterik people already have been returned to their atoll; the Rongelap people will be delayed on Ejit Island in the Majuro Atoll for possibly another year. During their absence from their home atolls the Rongelap and Uterik people have been given the best of care by top experts in various fields.

Reassurance that these Marshallese will not lose title to and ownership of their lands is one of their major concerns. It is difficult to say when the people of Eniwetok and Bikini will be returned to their atolls. Meanwhile the Eniwetok people are making a very good adjustment on their new atoll, Ujelang. The Bikini people are established on

¹ For text, see BULLETIN of June 7, 1954, p. 887.

the Island of Kili, which they unfortunately have not found entirely suitable. They come across to Jaliut Atoll to raise their pigs on that atoll and to fish in its lagoon.

In the meanwhile, special assistance now is being given the people of Eniwetok and Bikini; their conditions are being improved, and their just claims will be met. It is believed that within the space of another year, with all working cooperatively, these people will have made a good adjustment in every reasonable respect. Their health is good, and they are increasing in number and in skills to deal with their new environments.

During the time they are away from their atolls, they will retain title to their lands, which gives them a rental income and also preserves their status in the social hierarchy.

I have with me Mr. Dwight Heine, who was one of the principal draftsmen of the petition by the Marshall Islands people to the Trusteeship Council. He has been invited to come here as a member of the United States delegation in order to be available to answer questions so that the Trusteeship Council may have first-hand information on the petition. His presence will also enable him to follow through to its conclusion the petition which he helped to originate.

STATEMENT BY DWIGHT HEINE SPOKESMAN FOR MARSHALL ISLANDS PETITIONERS

I was born on October 12, 1919, in the Marshall Islands.

My early schooling was at home. My parents were my first teachers. At 14 years of age I attended a mission school where Americans (missionaries), Japanese, and Marshallese teachers were the instructors. The language used as the medium of instruction was Marshallese, but English and Japanese were also taught as foreign languages. This school was located on Jabwar Island, which was the seat of the Japanese administration for the Marshall Islands. The subjects were about the same as those that are taught in the American elementary-school level; but unlike the American schools the ages of the students varied from the early teens to the late twenties. Students' promotion from a lower grade to a higher one depended entirely on their speeds. Those who finished the school on Jabwar Island satisfactorily were eligible to go on to the advanced school on Kusaie Island, which is in the Caroline group. Kusaie Island is about 300 miles west from the Marshall Islands.

I went to the school on Kusaie in 1936 and finished it in 1938. It was probably the most advanced educational institution in the former Japanese Mandated Islands, now the present

Trust Territory of the Pacific Islands. But it was only equal to the American junior high school, plus a few theological courses. The purposes and aims of this school were to train future native ministers. Upon finishing this school I was sent back to the Marshalls to teach in the school there, the one I previously attended. My teaching career was interrupted after one year when I was recruited by the Japanese to work in a phosphate pit. I spent almost all the war years digging phosphate rocks with picks and shovels.

After the war I received a Navy (U.S.) scholarship and was sent to the University of Hawaii for 2 years. Recently, I received a U.N. fellowship, and I went to New Zealand, Samoa, and Fiji to study public-school administration.

I have travelled throughout most of the trust territory, which comprises the Marshalls, the Carolines, and the Marianas, an area larger than the United States, but they say that if you take away all the water from the land area the remainder will be smaller than Rhode Island. Beside traveling throughout the trust territory, I have also been to Hawaii and Japan, as well as New Zealand, Samoa, Fiji, and now the United States of America. Coming to America is a dream come true. I have always wanted to see the United States since I was a young boy. I read about it, saw pictures of it, studied about it, was taught by people from it, and dreamed that some day I would see it.

I am married and have four children, a boy, 14 years old, and three girls 6, 4, and 2 years old.

Immediately after the Marshalls were captured by the American armed forces, I went to work for the United States Navy Military Government as an interpreter and guide. I was among several other Marshallese young men who served in this capacity. Our main task was to translate the proclamations, ordinances, and other literary materials, issued by the Navy, into Marshallese. Every now and then we also did intelligence work by going into areas still held by the enemy.

We were under Japanese ruling for over 30 years, and the reason we turned against them was because after 30 years of peaceful living and obeying their rules they paid us back by treating us badly, even killing many of our people.

The Marshallese people were a very warlike people less than a hundred years ago, but since then—after Christianized and educated by American missionaries—we have laid down our arms and never picked them up since. During all this time, we have known of only one murder case and that was over 30 years ago.

I have come here as a guest of the State Department to answer questions that may arise when the Marshallese petition to the United Nations regarding the last H-bomb test comes up before the Trusteeship Council for discussion. Some of

our people were hurt during the recent nuclear test, and we have asked the aid of the United Nations, of which the United States is a member and to which it is answerable for its administration of the trust territory, to stop the experiments there. Or, if this is not possible, then to be a little more careful. I have noticed that it is illegal to set off fire-crackers in New York to celebrate the Fourth of July. I read in the paper that several people were arrested for violating this safety rule. The H-bomb is a "super-fire-cracker" which needs "super safety rules" in its handling.

I have great faith in the American people's sense of justice, and I have great hope that I will be able to go back and report to the Marshallese people favorable answers resulting from this meeting which I have kindly been invited to participate in by the United States Government as a representative of the Marshallese people.

U.S./U.N. press release 1937 dated July 13

STATEMENT BY MR. SEARS²

Sometimes the Soviet propaganda line presents real elements of skill. But not this time—and I am at a loss to explain it. For the Soviet representative to base his speech on so many evident misstatements of fact, which no one including himself believes, is truly puzzling.

In contrast, the Indian position is plausible. They are simply using events in the Marshall Islands as background to reemphasize their well-known belief in a neutralist foreign policy. We do not question their sincerity, although we fear they are burying their heads in the sand and are perhaps overzealous in presenting legal arguments on issues which do not exist.

On the other hand, the Soviet position does not hold water.

Let's trace the sequence of events which led up to the present situation. In the spring of 1946 the United States conducted its first nuclear test in the Pacific. In 1947 the trusteeship agreement, covering the Marshall Islands, was negotiated between the United States and the Security Council—with the Soviet member in complete accord.

This agreement was predicated on the fact—and do not forget this—that the United Nations clearly approved those islands as a strategic area in which atomic tests had already been held a few months previously. Accordingly, from the very outset, it was clear that the right to close areas for security reasons anticipated closing them for atomic tests—and the United Nations was so notified on pertinent occasions.

² Made in the Trusteeship Council on July 13.

July 26, 1954

Text of Resolution on Marshall Islands Petition¹

THE TRUSTEESHIP COUNCIL,
Having examined the petition from the Marshallese people concerning the Trust Territory of the Pacific Islands under United States administration in consultation with the United States as the Administering Authority concerned (T/PET.10/28, T/OBS.10/3);

1. *Expresses its deep regret* that a number of inhabitants of two atolls in the Marshall Islands suffered ill-effects as a consequence of the recent series of nuclear tests conducted by the Administering Authority in the Territory, that these two atolls suffered damage, and that the inhabitants of one of them will be unable to return to their homes for about a year;

2. *Notes* the measures taken by the Administering Authority to provide the necessary medical attention and care for the inhabitants affected;

3. *Notes with satisfaction* that the good health of those affected is now reported to be completely restored, that the inhabitants of Uterik, the larger of the two atolls, have been returned to their homes where new housing and other facilities have been provided them, and that provision has been made for the payment of any justified claims that may be submitted by the inhabitants of the two atolls affected;

4. *Welcomes* the assurance of the Administering Authority that there will be no permanent displacement of inhabitants from their homes;

5. *Urges* the Administering Authority to return the inhabitants of Rongelap to their homes as soon as the condition of the atoll permits and to provide all possible assistance for them in their resettlement;

6. *Urges* that prompt and sympathetic attention be given to all claims for damages submitted by the inhabitants concerned;

7. *Recommends* that if the Administering Authority considers it necessary in the interests of world peace and security to conduct further nuclear experiments in the Territory, it take such precautions as will ensure that no inhabitants of the Territory are again endangered, including those precautionary measures requested by the petitioners.

¹ U.N. doc. T/L. 504 dated July 13. The resolution, sponsored by Belgium, France, and the United Kingdom, was adopted by the Trusteeship Council on July 15 by a vote of 9 to 3 (India, Syria, U.S.S.R.).

A year later, in 1948, an area was closed for a second time for atomic tests, official notice of which was accepted by the Security Council as a matter of course. Nuclear tests were held again in 1951 and again in 1952, again with the acquiescence of the United Nations. It is only today, after 8 years of testing, that the Soviets have decided to reverse their previous position.

To sum it up, Mr. President, the Soviet statement is full of holes.

As we have repeatedly stated, the facts are as follows:

All Marshallese and Americans who were exposed to radiation are now, fortunately, restored to health.

No person has ever been lost, or even seriously injured.

No homes have ever been destroyed.

And—mark this well—no island has ever been blown up.

Prime Minister Nehru of India has been misinformed on this score if the press reports him correctly. What has resulted from our tests is that one natural sand spit, uninhabitable for man or beast and without vegetation, and one manmade sand spit were destroyed—and that is all. Let us get that straight.

And now for the question of continuing our nuclear tests in the Marshall Islands, which were selected only because there is no other place in the world over which the United States has jurisdiction where certain experiments could be successfully conducted with less danger.

The truth is that we cannot stop until the Russians stop theirs. But there doesn't seem much chance of this, according to recent Soviet statements. Speaking before a mass meeting in Prague 4 weeks ago today, Nikita Khrushchev, who may soon become the Number One man in Russia, had the following to say: "We have forestalled the capitalists and developed the hydrogen bomb before them. The capitalists will not fight now." That is Mr. Khrushchev speaking.

And the Chairman of our own Atomic Energy Commission, in a White House statement on March 31, has said: "There is good reason to believe that they [meaning the Russians] had begun work on this weapon substantially before we did."³

Under the circumstances, it must be clear to all except those who wish to curry favor with the Communists that we have no choice. We must continue to do our best to produce devices which will prevent the free world from being overrun by the Communists.

In conclusion, Mr. President, I fear that the Soviets, by their lack of regard for the power of the truth, have put themselves into an untenable propaganda position.

³ For text of Lewis Strauss' statement, see BULLETIN of Apr. 12, 1954, p. 548.

STATEMENT BY MR. SEARS⁴

Everyone knows that the American people have a genuine and deep regret for the events which gave rise to this petition. But the true interests of the Marshallese people are rapidly getting sidetracked by Communist tactics.

If anyone takes the trouble to examine Communist propaganda and how it is constructed, he will find that it is built up mainly of a misstatement of facts which have been dressed up to fit the propaganda line which the Moscow Government forces on its representatives abroad. These unhappy men are the only real exponents in the world today of the living lie.

Now, Mr. President, no matter how hard the Soviet representative may try to make propaganda capital out of the Marshall Islanders' petition, he will not succeed in driving a wedge between the American and the Marshallese people. Eloquent proof of this is found in a remarkable letter which the petitioners themselves have transmitted to Senator Lodge. The letter states, and I quote:

The Marshallese people appreciate the spirit in which the United States Government has received our petition. Your approval and commendation of our petition reinforce our faith in the United States Administration.

In conclusion we would like to make it clear that in no way should our petition—direct to the United Nations—be interpreted as a sign of our lack of confidence in the officials of the Trust Territory. On the contrary, we have found them competent and trustworthy.

Mr. President, these words speak for themselves.

In the meantime, I have only one more thing to say. During the past few weeks I have had access to certain security information pertaining to the nuclear tests which are the subject of this petition. As a result I would like to say to those of you who are friendly in this Council and who I know will trust my motives that it is my personal belief that there is no chance at all that the mishap of last March will ever be repeated.

⁴ Made in the Trusteeship Council on July 15.

Problems of the Pacific Trust Territory

Statement by Frank E. Midkiff

*High Commissioner of the Trust Territory*¹

Again this year, as was the case last year, it has been a most helpful and gratifying experience to be able to participate in the Council's consideration of our report on the Trust Territory of the Pacific Islands.²

It seems to me that the members of the Council have been exceedingly kind in their approval of many of the things we are trying to do and of our programs and policies in administering the trust territory. It has been helpful to receive the opinions of experienced and thoughtful members of the Council as to the problem of the rate at which change should occur in these islands. I believe that the consensus favors the idea that building in an evolutionary manner upon the customs and culture of the people is the correct approach. This, the members I think have noted, is the conclusion I believe to be sound for the Trust Territory of the Pacific Islands. The representatives of New Zealand and Haiti and others have correctly pointed out that in some areas and problems tactful pressure and encouragement are needed but that this need not conflict with the preservation of and building upon the best and soundest features of the Micronesian system and way of life. These policies, therefore, we shall keep in effect. We do not desire that the people of Micronesia should stand still but neither do we desire that by hasty uprooting of fundamental and proved social customs the Micronesians be cast into a state of confusion and personal insecurity. As is so often the case, the middle ground between the two extremes apparently has been rated to be the wisest course for a soundly based program by the majority of this Council.

Political Development

Our program of political development carries out this concept because of a firm policy of building from the bottom up. The local unit, usually the municipality or the extended family or the clan, is the customary unit of organization in the trust territory. It is on this level that new con-

cepts best can be worked out and modified to meet and carefully and favorably to modify the traditional system. I am grateful that the concept of courteous consideration has been stressed. We have progressed in several cases beyond the municipalities to establish district organizations with Micronesian participation in the advisory bodies. This concept, however, is still a somewhat strange one in most districts, and the organs have not yet advanced in their experience and concept to be accorded legislative powers.

The Visiting Mission last year discerningly pointed out that much progress will have to be made before a sufficient degree of advancement is reached to enable political affairs to be discussed on a basis broader than the district. After a further year's study of the situation I feel in all fairness this condition well may be reemphasized. Any territorial legislative body is still some time away. This is dictated by language, problems, by distances, by cultural diversity, and the consequent lack of sufficient community of interest. To crowd it now would do more harm than good. It will come easily and naturally in due time and when it is needed.

On this subject, Mr. President, I have been endeavoring to reconcile the problem raised by the delegate of India as to the date of the abolition of the Legislative Advisory Committee. As best I can make the situation out, I believe there must have been some confusion in the information passed on to the Visiting Mission. Members of the Mission may recall that the former High Commissioner, Senator Thomas, passed away just before the Mission arrived in Honolulu. Perhaps this fact resulted in the Mission's not having been properly informed as to the status of the Advisory Committee. In any event I believe it should be realized that the Committee was composed entirely of American personnel on the High Commissioner's staff and its chief concern was the preparation of a Code of Laws and aid in the drafting of an Organic Act. At any rate, when these jobs were done the Committee ceased to function and just disappeared by not meeting. At such time as the situation may seem appropriate the Committee or a similar organization can readily be reestablished. What we now have in place of this Legislative Committee at the High Commis-

¹ Made in the U.N. Trusteeship Council on July 13 (U.S./U.N. press release 1936). Mr. Midkiff is special U.S. representative to the Council.

² U.N. doc. T/1118. For Mr. Midkiff's opening statement on the report, see BULLETIN of July 19, 1954, p. 96.

sioner's staff level are Advisory Committees, or Hold Over Committees composed of Micronesians, working with the American personnel in each district. This is doing well and will continue.

I very much regret that I did not bring with me a list of the positions in the administration of the territory occupied by Micronesians. It very definitely is our policy to utilize the Micronesians just as soon as they are qualified. Here again, however, time is a factor. I think in some cases we have put some Micronesians in jobs somewhat before they had qualified and their production may not have been too excellent for awhile. Education and experience must be acquired. I pointed out the other day that three of the principals in our intermediate schools, at Yap, Ponape, and Majuro, who were previously Americans have been replaced by Micronesians. We now have two superintendents of elementary education who are Micronesians. Also, in Saipan a Micronesian has replaced an American as the agricultural extension agent in the district. Also, with the exception of the Chief Justice and the Associate Justice of the High Court, at present all judges and magistrates of the districts and municipalities are Micronesian, and each district has a Micronesian public defender.

These are indicative of the steps being taken in accordance with our policy to utilize the Micronesians in all positions for which they are qualified. It is to be expected that this policy, already fully operative on the municipal level, will be implemented on the district level steadily, and it is also to be expected that some time will be required before the experience and knowledge thus gained will qualify Micronesians for work on the High Commissioner's staff. It will be recalled that there are 100 young men and women abroad in Guam, Manila, Honolulu, and the American Mainland pursuing advanced studies. It is believed that from amongst these several will qualify for entrance into the higher level posts in all phases of administration and government services. Also, many of the number now serving in the lower grades up to and including grade VIII are making good records, getting good training and experience, and are expected to qualify for higher responsibilities and job classification as the months go by. Since the period of the report, 30 Micronesians have been advanced to positions in grades IX, X, and XI.

Economic Development

Members of the Council have very rightly stressed the importance of agriculture as the economic base for the territory and have urged continued search for new and improved crops to bolster the trade and the monetary income of the area. This, fortunately, is our program. However, unfortunately, it is a program in which

spectacular results cannot be achieved quickly. Experimentation with the proper crops must take place and be followed by experiments to find the most satisfactory species and strains of these most promising crops. Such things as coconut and cacao trees require some years to come into bearing. In some areas such as the Marianas, crops having a quick turnover, such as vegetables, can be successfully grown and already considerable quantities are being sold on Guam.

We are thus pressing forward with our agricultural program, not only on the experimental side but also on the practical side through agricultural extension agents. Here, however, it takes persuasion and demonstration to convince many of the Micronesians of the value of adopting scientific means such as the proper spacing and selection of trees. It is in this manner that we are applying scientific knowledge to agriculture.

MODERN FARM IMPLEMENTS

Science does not lie entirely in the use of modern equipment that some would have us use. Modern farm implements are not advantageous on low coral islands covered with coconuts, and are only of value on very limited flat areas on the high islands. There just isn't much flat area on the high islands. Most such equipment, because of the slope of the land, the thin soils, and erosion problems, therefore, would be entirely unsatisfactory and actually dangerous for use in most parts of the trust territory. Moreover, such machinery, even in the limited areas where it might be satisfactory, would present to its owners very serious and expensive maintenance problems because of climatic and other conditions.

ISLAND TRADING COMPANY

Practically all members of the Council have commented upon the closing of the Island Trading Company. I do not pretend that the end of this company will not present some problems in parts of the territory. I have confidence, however, that the local Micronesian companies will meet the situation and will grow rapidly to bear the responsibilities and opportunities thus placed upon them. The growth of these local companies will, I think, result in a healthier economic situation for all concerned. Neither self-government nor self-support can be attained through long and continued dependence upon others.

I also have confidence that we shall be able to place in effect a satisfactory copra marketing situation. I believe that it will be possible under this arrangement to continue the copra stabilization fund. We certainly shall not give this up if it can be avoided in any way and we feel certain that this problem can be solved. It is obvious, however, that the complexities of selling copra on the world markets will necessitate some outside

assistance. This, I believe, we shall be able to work out to the best interests of all concerned.

FISHING INDUSTRY

I share the hope expressed by several members that it will be possible to open a fishing program in the territory. Commercial fishing is as yet a relatively undeveloped activity in the territory. The reasons for this are the lack of both the capital and the specialized knowledge required for the operation. It is my hope that we shall be able to make an arrangement which will bring in to the territory this capital and knowledge and which will also provide training and participation by the Micronesians. We are working with the Federal Pacific Ocean Fisheries Investigation Organization on this problem.

PAY SCALES

Attention has been drawn to differences between the pay scales of Micronesian and American personnel. There is in fact a considerable difference between the two pay scales. The reason for this probably is more or less self-evident; certainly the difference is necessary. The Micronesian pay scale is geared to the normal range of income for persons engaged in other local pursuits such as copra production, local shipping enterprises, and so forth. In short, it is tied to the economy of the area in which the employees must live among their fellow Micronesians. It is adjusted so that the local economy will not become disrupted and so that the economy and income levels will be such as can be sustained by local resources.

The American pay scale is determined by what is required to attract qualified people to leave the advantages of their life in the United States and to accept employment in a remote area away from their homes. These people are needed to help the Micronesians advance and must be offered a salary that will be attractive to secure their services in the first instance and then to hold them for a good long period of understanding service. As a rule American employees lose seniority in similar work and organizations where they formerly had been employed in their home states.

The subsistence economy of the territory and the "extended family" system mean that Micronesian employees and individuals do not live on their salaries. They purchase some imported foods not because of necessity but because of desire. Their salaries, therefore, cannot be used as a yardstick to measure their standards of living.

SETTLEMENT OF LAND PROBLEMS

We are most anxious, as are many members of the Council who have commented on the subject,

to settle as expeditiously as possible the land disputes in the territory. This is one of the problems which, upon taking office a year and a half ago, I decided required greater emphasis.

Accordingly, whereas the work was previously centered in Saipan, we now have Land Offices in each of the districts, as well as Land Advisory Boards composed of Micronesians. The emphasis upon land settlement will be continued and increased during this coming year. I cannot, however, promise speedy settlement of the problem. As those familiar with land cases are aware, when records are inadequate and boundaries are unmarked, considerable effort is required in surveying and inquiry in order that the settlement arrived at may be a just and lasting one. I believe, however, that I may be able to give the delegate of India some definite reassurances concerning the Saipan situation where he rightly pointed out the retarding effect on agriculture of the revocable permits. It is hoped that all title determinations in Saipan will be completed by December of this year.

LAND OWNERSHIP

The greater percentage of the public domain is hilly slopes suited to water sheds and forest reserves and only very slightly used even though owned by the Micronesians. We are laying out some of these less steep areas as homesteads as they become necessary and are saving the remainder as forests.

I hope I have made clear in my replies to questions on this subject that the present public domain was acquired from former Japanese holdings and that it is not the desire of the trust territory to retain any more of this land than is required for administrative facilities, for water shed, forest reserves and similar public needs, and for security requirements. With the settlement of land claims and with the continuation of our homesteading program, the amount of the public domain should be steadily reduced. In the meantime land is being made available to all Micronesians requiring it.

YEN AND OTHER CLAIMS

Several members of the Council have urged that we should be making more rapid progress in the settlement of yen claims and claims for postal savings, bonds, etc., against the Japanese. On the yen claims I have previously indicated that payment has begun in the Saipan District in settlement of these claims. We intend to proceed with completion of yen claim settlements in all districts. On the claims against Japan, the United States has initiated steps with the Japanese Government looking toward the negotiation of a settlement. I

hope that next year it will be possible to report even greater progress.

Health Conditions

We appreciate the expressions that have been made with respect to the adequacy of medical services in the territory. Our American doctors supported by the Micronesian medical personnel are providing relatively good service. The 25 new men trained in medicine and dentistry at Suva will be added to our force in December 1954. The Micronesian medical personnel are constantly receiving added training both at the local hospitals and also in Honolulu and elsewhere and are developing very capably. The incidence of tuberculosis is perhaps our biggest problem at this time, and hospitalization of all cases would require more facilities than are available. We are, however, experimenting with local rest facilities for recuperating cases and are hopeful that this will be an aid in the solution to the problem, which chiefly depends upon drug therapy, rest, and good food. I am sure that our doctors in considering the tuberculosis problem are considering the dietary problem raised by the delegate from Haiti. Nutrition is good in the hospitals and we are teaching it in the schools and through the agricultural extension agents. At any rate I shall be happy to bring the suggestion to the attention of our medical men.

The distinguished representative from India commented very favorably upon the public-health situation in the territory but indicated his concern over an apparent decline over the past 3 years in budgetary expenditures on health programs. A further inspection of the comparative tables shows that there has actually been an increase during the period under review, rather than a decrease, in these expenditures. In the two tables at the top of page 28 of the annual report, for the fiscal year 1952 the figure in the first table is complete for the entire territory. However, for the year 1953 that table contains only 6 months of the expenditure in the Saipan District, and for 1954 contains no expenditure in the Saipan District. These figures for Saipan are obtained from the second table and when added to the 1953 figures in the first table, give the totals, for 1953, \$823,561 and the total for 1954, \$792,818, as compared with \$641,329 in 1952. In comparison with the 1952 and 1954 figures, the 1953 figure is larger even than for the later year. The reason for this, however, was principally the purchase in 1953 of very substantial amounts of drugs and medical supplies; since the preceding year we had considerable remaining "surplus" stocks from the Navy, very few such purchases had been made in 1952 and stocks were quite low. I am, therefore, pleased to be able to reassure the delegate of India regarding his concern over our medical expenditures.

Education

ELEMENTARY SCHOOLS

Almost without exception members of the Council have shown concern regarding our program of placing education, particularly on the elementary level, in the hands of the people, as a responsibility of the local communities. In this connection, suggestions have been made that we study closely the problems of adequate salaries to the elementary schoolteachers and of aiding financially in the construction of schools.

I would like first to comment upon the philosophy which prompts us to encourage the local municipalities to be responsible for their elementary schools. I believe it is universal human nature to appreciate and value more highly that to which a person contributes his time and money than that which is forced upon him or given to him without effort on his part. It is in the American tradition to place a high value upon education. Nevertheless, the American people have paid for the education of their children and in many cases young people who secure advanced education work their way through college.

In administering the trust territory we cannot divest ourselves of this high regard for education. In fact, we have felt that the best way to instill a similar high regard on the part of the Micronesians and to bring about a universal support of and feeling for education is to create a greater community interest in the local school. If the people can feel that the school belongs to them and is a product of their effort, their interest and support of it will be greater than if it is placed there by the administration and they are told to send their children to it regardless of the wishes of the people.

This is one factor in our approach. One other is the belief that it contributes definitely to the moral fiber and advancement of a people to provide their own services and facilities where they see a genuine need for them.

I do not, however, wish the Council to conclude that in adopting this approach the administration is washing its hands, so to speak, of the elementary school program. On the contrary, the educational supervisors in each district whose salaries are paid from trust territory funds—in large part Federal grants—make frequent trips to keep in touch with the work and development of these schools. The educators work closely with the municipal officials to insure the satisfactory support of the school and its teacher. Last January the administration made a \$4,000 loan to the Truk District to pay the salaries of its elementary schoolteachers. A new tax was instituted in this district and in the Marshalls, in consultation with the appropriate local bodies and officials, in order to insure the payment of the teachers' salaries. Through such encouragement, supervision, and cooperative effort I believe

that in the long run it will be possible to instill a real sense of community responsibility and support for the elementary schools.

Thus, during the past year we have aided three districts to work out practical systems of taxes which can be used to increase the salaries of elementary schoolteachers as well as to increase the materials needed for instruction. At the same time, we are patiently, and as forcefully as we believe wise, urging an understanding of the value of formal schooling, including mastery of reading, writing, and skill in use of numbers and a wider knowledge of applied science.

I should point out that on the intermediate and Pacific Island Central School level the schools are entirely supported by the administration.

EXPENDITURES

Attention has been drawn, by the representative of India and others, to an apparent decrease over the past 3 years in the expenditures on education. I use the word "apparent" because I believe that, here again as in the case of medical services, due to a measure of difficulty in interpreting the tables on page 28 of the report, there has been a misunderstanding. The figure of \$437,888 for the fiscal year 1952 in the table at the top of the page includes a full year's expenditure in the Saipan District. The figure in the same table for 1953, \$399,540, contains expenditures for only 6 months in the Saipan District. The figure for 1954 contains no expenditure for Saipan. Therefore, for 1953 and 1954 additions must be made for the Saipan District. These figures are found in the second table on that page, page 28, and when added to the previous figures give a total of \$435,440 for 1953 and \$476,901 for 1954. This latter figure is well above the 1952 total of \$437,888 and we find that, rather than a decrease, there has actually been an increase in expenditures on education over the 3-year period.

The unusually high school enrollment figures for early years around 1948 are due to having many overage enrollments because during war years education in the schools was at a standstill. Normal enrollments are increasing along with child population year by year. Enrollment is compulsory for certain ages and attendance is around 90 percent of enrollment.

ADVANCED STUDIES

The representative of India has asked whether facilities for higher education will become open to trust territory students in their own territory. I must say, in all honesty, that I cannot foresee the day when an institution on the college or university level will be a probability. This does not mean, however, that an opportunity for higher

education in the area will not exist. I have in mind the Territorial College which has been opened by the Government of Guam. At present this college does not offer a full college course. However, the time will come when it may do so and since Guam is in a very central location with respect to the trust territory, its college would be as convenient, if not more convenient, to all sections of the trust territory as an institution located in one or the other of its districts.

Provisions for increased enrollment in secondary education, and improved standards of education at the secondary as well as at all other levels, will eventuate gradually and in response to genuine needs and desires of the people.

Conclusion

Mr. President, the opportunity to appear before the Trusteeship Council again has proved to be a stimulus and a source of strength to this present special representative who is entrusted with the administration of the Trust Territory of the Pacific Islands.

The problems confronting us are by no means nominal ones. We have had the temerity to lay them frankly before this Trusteeship Council and to ask for suggestions and advice in solving them.

Our appearance has been met with a sympathetic understanding and interest. Suggestions out of long experience as well as out of theory have been made to aid us in our tasks. Encouragement has been afforded.

Although the writer feels that such commendation has hardly been deserved, he nevertheless is sincerely appreciative of the kind words that have been spoken. He feels that the distinguished members of the Trusteeship Council have contributed to the well-being of the Trust Territory of the Pacific Islands. The High Commissioner and staff of this organization in carrying out their responsibilities will benefit by this year's session.

For this, Mr. President, I am deeply and gratefully indebted.

Advancement in Trust Territory of Western Samoa

*Statement by Robert R. Robbins*¹

U.S./U.N. press release 1930 dated July 2

The U.S. delegation desires to express its appreciation of New Zealand as the Administering Authority and the people of the Trust Territory of

¹ Made in the Trusteeship Council on July 2. Mr. Robbins, Deputy Director of the Office of Dependent Area Affairs, Department of State, is a member of the U.S. delegation to the Council.

Western Samoa for the advancement which has been indicated as the result of the Council's examination of the 1953 report, the special representative's statements, and his very full replies to our questions. We express our warm thanks to him.

We are sure that this is a cooperative development in which the people of Samoa are having the opportunity to play their full part.

We trust, according to the proverb given to us here, that when the "crab has completed the contemplation of his toes," in regard to the 1953 Development Plan pointing to the ultimate establishment of a regime of full self-government, the Constitutional Convention will be held on schedule. We also hope that the people of Western Samoa will grasp firmly the opportunities offered to move rapidly in the direction of a greater measure of self-government and assume the resultant responsibilities with earnestness and wisdom. In doing this we trust that they will be able to maintain their present tranquillity and happy adjustment to their environment.

This will depend in large measure, in our view, on whether the Samoan people will fully realize the significance to their future of their phenomenal increase in population and take steps in their planning to meet this increasingly grave problem. They must realize that the cultivation of taro patches higher and higher upon the slopes of their islands with resultant erosion in a country where the annual rainfall in some places is measured in yards rather than in inches is not the answer to this problem. On the other hand, we believe that the increase in general education will help immeasurably in meeting what lies ahead.

We wish to commend the Administering Authority and the people of Western Samoa for the efforts which have been made to assess the overall problems of the Territory. Illustrative of this broad effort, we would mention the Economic Survey by Mr. V. D. Stace, the Study of Labor Conditions by Mr. H. G. Duncan, and the Report on Education by Mr. C. E. Beeby. Such basic studies are essential, in our view, to the progressive development of programs for the Territory.

Similarly we want to commend the practice of enlistment by the Administering Authority of the cooperation of outside agencies, such as the specialized agencies of the United Nations and the South Pacific Commission. Not only should this type of cooperation be useful to Samoa, but peoples elsewhere can profit from such combined endeavor. I have in mind examples of mutual benefit derived from work now underway to bring the rhinoceros beetle under control and the development and exchange of strong strains of tropical

plants calculated to increase the yield of cash crops.

We wish also to note with satisfaction such recent developments as (a) the establishment of the Executive Council in March 1953; (b) the opening of Samoa College which we hope will lead, among other things, to the appointment of additional Samoans to the government service at higher levels in the near future; (c) the passage of the District and Village Board Ordinance; and (d) the steps taken to date toward fulfilling the proposal to transfer to Samoan hands of the New Zealand Reparations Estates.

The Trusteeship Council is interested in being apprised of progress wherever it takes place in regard to the territories under U.N. trusteeship. In the South Pacific area there are four trust territories which along with other territories had limited relationships with one another through marriage and through certain technical services which, in addition to those provided by the metropolitan governments, emanated from Fiji and benefited those territories under British Commonwealth administration. More recently, however, particularly since World War II, existing relationships have been greatly expanded and new ones added. One of the most important contributions to this development was the establishment of the South Pacific Commission. Government administrators, technicians, and representatives of the peoples now meet together on an area-wide basis periodically and discuss their common interests and problems. What is more important, the results of their deliberations are brought to bear directly upon the daily lives of the people of the islands. Although somewhat intangible, a very real and significant result has been the development of a degree of friendship and neighborliness among South Pacific territories and peoples hitherto unknown.

This widening of the horizon of the peoples of the area beyond the confines of their own islands has prompted one Samoan leader to say recently that there was in process of development a South Pacific family.

The mutual effort in establishing an organization to focus attention upon the economic and social problems of the peoples of the South Pacific area was taken by the Governments of Australia and New Zealand. Those Governments can take pride in launching and giving sustained support to an arrangement for the peoples of the area which translates into action the principles of the United Nations, particularly the objectives of the trusteeship system, as well as the principle of good-neighborliness set forth in the somewhat neglected article 74 of the charter.

Conference on American Studies To Be Held in Great Britain

Press release 370 dated July 7

Eleven Americans will leave this month to participate in the third Conference on American Studies to be held in Great Britain under the Department's International Educational Exchange Program. The conferences, on the theme "The United States in the Atlantic Community," are held alternately at Cambridge and Oxford Universities. This year's conference will be held at Cambridge from July 12 to August 14.

The conferences bring together British students, teachers, and university faculty members to hear lectures and participate in discussions with distinguished American professors and public speakers. They are held under the auspices of the U.S. Educational Commission, the binational organization in London which has responsibility for administering the program authorized by the Fulbright Act in the United Kingdom.

The American lecturers, all of whom were selected by the President's Board of Foreign Scholarships, and the general subjects which they will discuss are as follows:

Virginius Dabney, Editor, Richmond *Times-Despatch*, Richmond, Va., journalism;
Clarence H. Elliott, City Manager, Kalamazoo, Mich., municipal administration;
Denna F. Fleming, Professor of Political Science, Vanderbilt University, Nashville, Tenn., American foreign policy;
John H. Franklin, Professor of American History, Howard University, Washington, D. C., American history;
J. Lowell Harriss, Professor of Economics, Columbia University, New York, N.Y., economics;
Arthur M. Mizener, Professor of English, Cornell University, Ithaca, N.Y., American literature;
J. Easton Rothwell, Vice-Chairman, Hoover Institute and Library, Stanford University, Palo Alto, Calif., American foreign policy;
George D. Stoddard, Office of Institutional Research and Educational Planning, New York University, New York, N.Y., American education;
Robert L. Sutherland, Director, Hogg Foundation, University of Texas, Austin, Tex., sociology;
David Truman, Professor of Political Science, Columbia University, New York, N.Y., American government;
Eudora Welty, novelist and short story writer, Jackson, Miss., creative writing.

U. S. Delegations to International Conferences

Trade Negotiations With Philippines

The Department of State announced on July 14 (press release 384) that the U.S. Government will be represented by the following delegation in the negotiations with the Philippines regarding pos-

sible revision of the 1946 Agreement on Trade and Related Matters between the two countries:

Chairman

James M. Langley, Editor and Publisher, *Concord Daily Monitor*, Concord, N. H.

Deputy Chairman

Charles F. Baldwin, Economic Coordinator for the Far East, Bureau of Far Eastern Affairs, Department of State.

Daniel M. Braddock, Counselor of Embassy for Economic Affairs, American Embassy, Manila.

Delegates

William L. Hebbard, Assistant Director, Office of International Finance, Treasury Department.

Wilhelm Anderson, Chief, International Agreements Branch, Foreign Agricultural Service, Department of Agriculture.

Eugene M. Braderman, Director of Far Eastern Division, Department of Commerce.

Orville J. McDiarmid, Regional Economist, Office of Far Eastern Operations, Foreign Operations Administration.

Ben Dorfman, Chief Economist, Tariff Commission.

Paul D. Dickens of the Treasury Department, A. Richard DeFelice and Edward J. Bell of the Department of Agriculture, and G. Anton Burgers of the Foreign Operations Administration will serve as alternates to the delegates representing their respective agencies.

Liaison will be maintained with the U.S. Government departments and agencies having an interest in these negotiations, and full opportunity will be provided for interested American business firms and individuals to make known their views regarding possible modifications of the agreement. To this end the holding of public hearings and an invitation for the submission of written briefs will be announced in due course.

The discussions with the Philippine delegation will commence upon its arrival in this country, probably in the latter part of August or early September.

International Union of Crystallography

The Department of State announced on July 15 (press release 385) that the Third General Assembly of the International Union of Crystallography will be held at Paris July 21-28, 1954. The U.S. Government will be represented at the Assembly by the following delegates:

Lawrence O. Brockway, Ph.D., *Chairman*, Professor of Chemistry, University of Michigan, Ann Arbor, Mich.

Arthur L. Patterson, Ph.D., Institute for Cancer Research, Philadelphia, Pa.

Bertram E. Warren, Professor of Physics, Massachusetts Institute of Technology, Cambridge, Mass.

Ralph W. G. Wyckoff, Ph.D., Director, Division of Physical Biology, National Institutes of Health, (Currently Scientific Attaché, American Embassy, London).

William H. Zachariasen, Ph.D., Professor of Physics, University of Chicago, Chicago, Ill.

The Union of Crystallography, proposed at the International Conference on Crystallography held

at London, July 1946, was formally recognized by the International Council of Scientific Unions on April 7, 1947. The provisional statutes were ratified at the First General Assembly held at Harvard University, July 28–August 3, 1948. The Second General Assembly was held at Stockholm, June 27–July 3, 1951.

Among the items on the agenda for the Third General Assembly are (1) reports of Commissions and Joint Commissions; (2) election of Commissions and of representatives on other bodies, and determination of their terms of reference; (3) election of an Advisory Board for "Acta Crystallographica," a bimonthly periodical; and (4) clarification of the position and powers of delegates.

THE CONGRESS

Problem of Restoring West German Sovereignty

Following is the text of a letter from Secretary Dulles to Senator Alexander Wiley, chairman of the Senate Committee on Foreign Relations. An identical letter was sent to Representative Robert B. Chipperfield, chairman of the House Foreign Affairs Committee.

JULY 12, 1954

DEAR MR. CHAIRMAN:

For over two years it has been the policy of the United States, Great Britain, and France to improve the international status of the Federal Republic and to enable the Germans to make their proper contribution to the common defense of the free world. These objectives were to be accomplished by certain agreements with which you are already familiar. The conventions signed at Bonn on May 26, 1952 (the Convention on Relations between the Three Powers and the Federal Republic of Germany and the related conventions)¹ would terminate the occupation regime and establish sovereign equality for the Federal Republic (subject only to certain rights retained by the occupying powers because of the division of Germany and the presence of Soviet forces there). At the same time, the Treaty on the Establishment of the European Defense Community, signed at Paris on May 27, 1952, would bring into being an international body through which the Federal Republic could make an effective defense contribution without creating a national military establishment for that purpose.

¹ See p. 128, footnote 3.

The conventions and the Treaty are connected by a provision in the conventions that they will become effective upon the entry into force of the Treaty. However, since the French Government has not ratified the conventions and neither it nor the Italian Government has ratified the Treaty, none of the agreements has yet entered into force. There is still an opportunity for the French Assembly to approve the Treaty (which is the principal source of difficulty to the French) before the close of its session this summer, now scheduled for August 15 or thereabouts, and, if it should do this, I believe that further necessary action would follow and the agreements would all become effective without too great an additional delay. It is my earnest hope that events will take this course, and the Administration is doing all it can to bring this about.

On the other hand, we must be prepared for the situation that would arise if the French Assembly should reject the Treaty or adjourn without having voted on it. I know you fully appreciate what serious consequences any further delay in the application of these agreements might have. A continued denial of sovereignty for the Federal Republic would bring a risk of political developments within that country which could cause apprehension to other nations as well, while a continued failure to include the Federal Republic in the common defense arrangements would prolong the danger to Germany and to the free world as a whole.

Because of these possibilities, the question of what measures should be taken with respect to the Federal Republic in the event of failure to ratify the present agreements has been the subject of urgent attention. It was discussed during Prime Minister Churchill's recent visit and has been further considered during the past week in London by representatives of the Department and the British Foreign Office. As a result of these talks, it has been recommended on both sides that, if the French Assembly adjourns without taking action on the European Defense Community Treaty, the French Government should, as a first step, be asked to join with the United States, the United Kingdom, and the Federal Republic in bringing the Bonn conventions into force in the absence of the Treaty. If the four parties will consent to this move, it could be accomplished by agreement among them in the relatively near future, and the Federal Republic would acquire the status it has been expecting for more than two years. Provision would also be made that German financial support of the Allied forces in Germany would continue and that German rearmament would be deferred for the time being. This would afford an opportunity to complete arrangements for a German defense contribution.

This course should make possible an important measure of realization of what we have been trying to achieve in the Federal Republic of Germany.

The British Parliament and the French Government are to be informed of these intentions within the next day or two.

I am sending a similar letter to the Chairman of the House Foreign Affairs Committee. There is enclosed, for your convenience, a copy of the statement on this subject issued by the President and Prime Minister Churchill at the conclusion of their recent talks in Washington.²

Sincerely yours,

JOHN FOSTER DULLES

TREATY INFORMATION

Recommendations Concerning Air Agreement With Spain

Press release 386 dated July 15

Recommendations for an exchange of notes between the Governments of the United States and Spain which would amend the United States-Spain Air Transport Agreement to provide for a Spanish route to New York were made July 14 to their respective Governments by U.S. and Spanish delegations which have been holding consultations intermittently during May, June, and July. The original U.S.-Spain Air Agreement which was signed in 1944 was the first such bilateral air agreement entered into by either country providing for postwar operations. Oswald Ryan, member of the Civil Aeronautics Board, is chairman of the U.S. delegation. Don Jaime de Pinies of the Spanish Embassy in Washington is chairman of the Spanish delegation.

Under the present agreement Spanish carriers may operate over two routes to the United States—one to Miami and beyond to (a) Mexico and (b) Habana and points in the Caribbean and West Coast of South America and the other to San Juan and Caracas. The delegations have recommended that the Spain-New York route requested by the Spanish be substituted for their route to Miami and Mexico and that that part of the route beyond Miami to the Caribbean and West Coast South American points be added to the San Juan route.

If accepted by their Governments, the delegations' recommendations will be incorporated into the Air Transport Agreement by an exchange of notes between the Governments. The new Spanish route description would read as follows:

Route 1—a route from Spain to New York via Lisbon and the Azores in both directions.

Route 2—a route from Spain to San Juan, Puerto Rico, via Lisbon, the Azores and Bermuda, and Caracas in

both directions and from San Juan to points beyond in the Caribbean area and the West Coast of South America in both directions.

Current Actions

MULTILATERAL

Finance

Articles of Agreement of the International Monetary Fund. Opened for signature at Washington December 27, 1945. Entered into force December 27, 1945. TIAS 1501.

Signature and acceptance: Israel, July 12, 1954.

Articles of Agreement of the International Bank for Reconstruction and Development. Opened for signature at Washington December 27, 1945. Entered into force December 27, 1945. TIAS 1502.

Signature and acceptance: Israel, July 12, 1954.

International Court of Justice

Statute of the International Court of Justice (part of the Charter of the United Nations signed at San Francisco June 26, 1945). 59 Stat. 1055; T. S. 993.

Declaration, under Article 36, recognizing compulsory jurisdiction:

Renewal deposited: Turkey, June 8, 1954. (Renewal effective for five years from May 22, 1952.)

Shipping

Convention on safety of life at sea. Signed at London June 10, 1948. Entered into force November 19, 1952. TIAS 2495.

Acceptances deposited: Cambodia, March 2, 1954; U. S. S. R., May 10, 1954; Switzerland, May 19, 1954; Haiti, May 26, 1954.

International load line convention. Signed at London July 5, 1930. Entered into force January 1, 1933. 47 Stat. 2228.

Accession deposited: Switzerland, May 19, 1954.

Trade and Commerce

Declaration regulating the commercial relations between certain contracting parties to the General Agreement on Tariffs and Trade and Japan. Done at Geneva October 24, 1953. Entered into force November 23, 1953 for the United States. TIAS 2917.

Acceptance deposited: Canada, June 9, 1954.

United Nations

Constitution of the United Nations Educational, Scientific and Cultural Organization. Concluded at London November 16, 1945. Entered into force November 4, 1946. TIAS 1580.

Signature: Byelorussian S.S.R. and Ukrainian S.S.R., May 12, 1954.

Acceptance deposited: Byelorussian S.S.R. and Ukrainian S.S.R., May 12, 1954.

BILATERAL

France

Agreement amending Article 9 of the Educational Exchange Agreement of October 22, 1948 (TIAS 1877). Effected by exchange of notes at Paris June 18 and 30, 1954. Entered into force June 30, 1954.

² BULLETIN of July 12, 1954. p. 49.

Jordan

Agreement relating to duty-free entry and defrayment of inland transportation charges for relief supplies of United States voluntary agencies. Effected by exchange of notes at Amman May 1 and June 29, 1954. Entered into force June 29, 1954.

DEPARTMENT

Appointment

Christian A. Herter, Jr., to the Policy Planning Staff, effective July 19 (press release 389 dated July 16).

Current U.N. Documents: A Selected Bibliography¹

General Assembly

Information from Non-Self-Governing Territories: Summary and Analysis of Information Transmitted Under Article 73e of the Charter: Report of the Secretary-General. Summary of information transmitted by the Government of New Zealand. A/2656. June 10, 1954. 16 pp. mimeo.

Economic and Social Council

Economic Commission for Europe. Annual Report (19 March 1953-25 March 1954). Supplement No. 3. E/2556, E/ECE/187. 44 pp. printed.

16th Report of the Administrative Committee on Co-ordination to the Economic and Social Council. E/2607. May 17, 1954. 18 pp. mimeo.

Commission on Narcotic Drugs. Report on the Ninth Session (19 April to 14 May 1954). E/2606, E/CN.7/-283. June 2, 1954. 54 pp. mimeo.

Techniques of Evaluation of the Expanded Programme of Technical Assistance. E/TAC/41. June 4, 1954. 45 pp. mimeo.

United Nations Conference on Customs Formalities for the Temporary Importation of Private Road Vehicles and for Tourism. Final Act. E/CONF.16/19. June 7, 1954. 13 pp. mimeo.

United Nations Conference on Customs Formalities for the Temporary Importation of Private Road Vehicles and for Tourism. Additional Protocol to the Convention Concerning Customs Facilities for Touring, Relating to the Importation of Tourist Publicity Documents and Material. E/CONF.16/21. June 7, 1954. 11 pp. mimeo.

Transfer to the United Nations of the Functions and Assets of the Central Bureau, International One-Mil-

¹ Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N. Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

lionth Map of the World on the Millionth Scale. Final Report by the Secretary-General. E/2619. June 14, 1954. 3 pp. mimeo.

Customs Convention on the Temporary Importation of Private Road Vehicles. E/CONF.16/22. June 7, 1954. 34 pp. mimeo.

Security Council

Letter Dated 14 June 1954 from the Representative of Thailand Addressed to the President of the Security Council. S/3228. June 14, 1954. 1 p. mimeo.

Letter Dated 17 June 1954 from the Representative of Syria to the President of the Security Council. S/3231. June 18, 1954. 8 pp. mimeo.

Cablegram Dated 19 June 1954 from the Minister for External Relations of Guatemala Addressed to the President of the Security Council. S/3232. June 19, 1954. 4 pp. mimeo.

Letter Dated 20 June 1954 from the Representative of Cuba Addressed to the President of the Security Council. S/3235/Rev. 1. June 21, 1954. 1 p. mimeo.

Cablegram Dated 20 June 1954 from the Minister for External Relations of Guatemala Addressed to the President of the Security Council. S/3238. June 21, 1954. 3 pp. mimeo.

Cablegram Dated 20 June 1954 from the Minister of Foreign Affairs of Honduras Addressed to the President of the Security Council. S/3239. June 21, 1954. 1 p. mimeo.

Letter Dated 22 June 1954 from the Representative of Guatemala Addressed to the Secretary-General. S/3241. June 23, 1954. 3 pp. mimeo.

Cablegram Dated 22 June 1954 from the Minister of Foreign Affairs of Nicaragua Addressed to the President of the Security Council. S/3242. June 23, 1954. 2 pp. mimeo.

Cablegram Dated 23 June 1954 from the Secretary of State for External Relations of Honduras Addressed to the President of the Security Council. S/3243. June 24, 1954. 1 p. mimeo.

Cablegram Dated 23 June 1954 from the Representative of Guatemala Addressed to the Secretary-General. S/3244. June 24, 1954. 1 p. mimeo.

Cablegram Dated 23 June 1954 from the Chairman of the Inter-American Peace Commission Addressed to the Secretary-General. S/3245. June 24, 1954. 2 pp. mimeo.

Cablegram Dated 23 June 1954 from the Minister for External Relations of Guatemala Addressed to the Secretary-General. S/3246. June 24, 1954. 3 pp. mimeo.

Letter Dated 24 June 1954 from the Representative of the Union of Soviet Socialist Republics Addressed to the Secretary-General. S/3247. June 24, 1954. 1 p. mimeo.

Cablegram Dated 23 June 1954 from the Minister for External Relations of Guatemala Addressed to the Secretary-General. S/3248. June 24, 1954. 1 p. mimeo.

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General Assembly Resolution 752 (VIII) and Trusteeship Council Resolution 866 (XIII): Attainment by the Trust Territories of Self-Government or Independence. Addendum to the report of the Secretary-General. T/L.464/Add.1. June 23, 1954. 15 pp. mimeo.

General Assembly Resolution 750 (VIII). The Togoland Unification Problem. Note by the Secretary-General. T/1130. June 23, 1954. 26 pp. mimeo.

Provision of Information to the Peoples of Trust Territories. Report of the Secretary-General. T/1121. June 24, 1954. 17 pp. mimeo.

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Releases may be obtained from the News Division, Department of State, Washington 25, D.C.

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No.	Date	Subject
380	7/12	Dulles: Departure for Paris.
*381	7/13	Radio discussions with Mexico.
382	7/13	Recognition of Guatemala.
*383	7/14	Berry appointment to Singapore.
384	7/14	Philippine trade talk delegation.
385	7/15	Crystallography conference.
386	7/15	Air transport talks with Spain.
387	7/15	Dulles: Return from Paris.
388	7/16	Hungarian plane case.
389	7/16	Herter appointment (re-write).
390	7/17	Admission of foreign churchmen.

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**1937, Volume II, The British Commonwealth,
Europe, Near East and Africa**

Prominent among the subjects treated in this volume are the efforts of the Department of State to promote more liberal trade policies by discussions looking to the conclusion of reciprocal trade agreements and representations against discriminating practices damaging to American commerce. Secretary of State Cordell Hull conceived his trade agreements program not merely as a means for promoting American business but as one important instrument that would help maintain international peace.

A number of issues tended to strain relations with the Nazi Government of Germany in 1937. Persecution of the Jews continued with additional restrictive measures being applied. Trade relations were unsatisfactory. The German Government made representations against derogatory remarks by Mayor La Guardia of New York about Hitler.

Among many matters of diplomatic concern in the Near East recorded in this volume were the Montreux Conference for the abolition of capitulations in Egypt, the withdrawal of American diplomatic and consular representatives from Ethiopia which was under Italian occupation, the grant of an oil concession by the Iranian Government to the Amiranian Oil Company, proposed abolition of capitulatory rights of the United States in the French Zone of Morocco, and interest of the United States in British proposals for the partition of Palestine between Arabs and Jews.

Copies of this volume may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for \$4.25 each.

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The Department of State

bulletin

Vol. XXXI, No. 788

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The Department of State bulletin

VOL. XXXI, No. 788 • PUBLICATION 5555

August 2, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

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52 issues, domestic \$7.50, foreign \$10.25
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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

Building an Enduring Peace

by Thruston B. Morton

Assistant Secretary for Congressional Relations¹

As citizens and veterans, you are keenly aware that we live in a shrinking world. And as the operating range of the bomber lengthens and the lethal radius of nuclear weapons extends, you cannot fail to recognize that this country's dealings with other nations are progressively more directly and intimately linked with our personal welfare, present and future. And if I stated this more specifically—to the effect that the international policies pursued by this Administration might be a matter of life or death for each of us here—I would be doing no more than stating fact.

While this can hardly come to you as news, you will grant that it is important enough to stand frequent repetition. And it certainly demonstrates the patriotic commonsense behind the Legion's concern with foreign affairs.

American foreign policy has a single and basic aim to which all other objectives are subordinate: the security of the American people. The Administration is convinced that this aim can be finally and permanently realized only by establishing a just and enduring world peace. Now, as veterans of one world war and, in many instances, two world wars, we know enough of war to be convinced of the flat and unrelieved necessity of peace.

At this point, I think it important to nail down what we mean by peace. We don't mean a phony peace which amounts to no more than the absence of open hostilities at a particular time. And we do not mean the fraudulent peace which is purchased from an international gangster by payments in honor and principle. We mean the kind of peace which develops out of the recognition by nations that the use of military force as an instrument of foreign policy spells disaster.

From the cynics' corner, you may hear this thesis brushed off as the stuff of which dreams are made—that we have always had wars and we will always have wars; that human nature does not

change. I submit to you that the supposedly hardheaded cynic is the victim of a massive and a dangerous delusion. Basically he argues that man, in this 20th century, lacks the wit to prevent his own destruction, although the means to do so lie readily at hand. And inferentially, he offers the ultimate in defeatism by a cowardly acceptance of an inevitable and horrible doom for civilization as we know it.

I submit to you that the realist, the man of guts and stamina, the man with an unshakable faith in the ideals which have made this Republic great is the man who is convinced that a real peace can be built. He is the man who accepts the fact that constructing a peace will be a long and difficult project. And he is the man who is willing to get on with the construction, brick by painful brick.

In the first place, this Government has proceeded on the premise that the individual American is basically a realist, a person with the courage, the determination, and the spiritual strength to tackle a job that may require sacrifice and a generation of steady effort to complete. For one, I believe that the premise is fully justified.

The Interim Requirement

Now, it is all very well to work and plan for a future peace provided, at the same time, today, tomorrow, and the next day are not neglected. Obviously, any policy evolved by this country designed to produce an eventual peace had also to meet an interim requirement. It had to contain the ingredients which would prevent the outbreak of World War III. And any informed survey of this troubled globe would uncover a variety of disputes and controversies—any one of which, out of control, could touch off general hostilities. Whether these quarrels were centuries old or whether they developed as a result of World War II is of little consequence. A concerted effort had to be made either to settle them or to hold their temperature below the boiling point.

Coincidental with the foregoing type of trouble

¹ Address made before the American Legion State Convention at Knoxville, Tenn., on July 20 (press release 392).

was the huge, the total, menace to peace and security offered by the aggressive and imperialist policy of the international Communist conspiracy. This had to be effectively countered, the spread of communism checked, and the hope of liberation kept alive in the hearts of men in all the areas now in the Soviet grip.

I have presented what might be described as regional difficulties on the one hand and the problem of international communism on the other as separate and distinct. As you well know, they were and are encountered all too often in evil combination. The Communist liking for fishing in troubled waters is well known. And they have overlooked no opportunity to indulge it.

In general terms, then, these were the objectives. The particular programs set in motion to move us in the direction of these objectives had, of necessity, to take into account certain rock-solid facts. First of all, the Communist offensive is economic and psychological as well as political and military. Secondly, it is concentrated in no particular geographic area—to the exclusion of any other area.

Related to these first two points is a third point. Although the U.S. capacity to act is great, it is by no means infinite. We have immense economic power, but it is limited. Our manpower is sizable but not inexhaustible. Our military force is impressive, but subject to restrictions imposed by the size of our population, the extent and availability of our natural resources, and the ability of our industrial plant to produce. And if we fail to keep our commitments and our policies within these bounds, we court disaster.

Thus, in dealing with the Communist adversary, we must achieve and maintain a global approach wherein our commitments are consistent with our capacity and apportioned in proper balance. To use a baseball analogy, we don't get anywhere by throwing a man out stealing second, if the runner on third scores on the play.

The matter of U.S. capacity leads to still another point which has an all-pervasive and fundamental impact on American policy. The military and economic power of the Communist bloc is such that no single nation—and I include the United States—can be sure of its ability to stand against it. And if we were to add to the capacity of the Communist bloc the skilled manpower, the resources, and the industrial plant of, for example, Western Europe, the Soviet sphere would hold a decisive advantage over the United States. In other words, any addition to Soviet capacity—particularly industrial capacity—is an equivalent loss to the free world. More tragic still, with any such loss free men are driven into slavery.

Principle of Collective Security

Now, let us look at the reverse of this coin. The manpower, technical skills, resources, industrial

plant, and military potential of the United States and Western Europe top that of the Communist sphere by a substantial margin—one which it is doubtful that the Communists can ever make up. And it is this vital fact which underpins the principle of collective security upon which American policy is based. It is true that our allies need our support and, should emergency arise, need it desperately. But our need of them is just as great.

Some Americans find this situation unpalatable. They cling persistently to the illusion that our free-world associates are a luxury that we can forego at any time—that if need be we can go it alone. They resolutely shut their eyes to the realities of the mid-twentieth century and cry for a return to policies which were developed when the Atlantic and the Pacific Oceans were barriers instead of highways.

I suspect, as well, that it is from this group that we hear demands that, as they describe it, this “nonsense”—of talking things over with our allies, of giving consideration to their interests and their needs, and of obtaining agreement on a course of action—be brought to an end. According to them, we should crack down, tell our associates that they were going to do what we told them to do or take the consequences.

My fellow Legionnaires—how foolish can a man, or a nation, get?

We are a member—the leader, in fact—of a coalition of free peoples who have joined forces voluntarily in defense of our freedoms. A coalition of this nature derives its strength from its voluntary character and the fact that the members are coequals. Should the United States or any other party to it attempt to wield the big stick—to club the rest in line—the coalition would quickly disintegrate. And ironically enough, the advocates of a dictatorial stand on the part of the United States are precisely the people who would scream the loudest should any one of our allies give the least appearance of trying to dictate to us.

It behooves us, then, to keep in mind that what is required of us is leadership and to leave coercion and enforced uniformity to the Communists.

Fundamentally, I think, most Americans accept this as reasonable and right. But it hasn't always been easy to apply the principle to the particular situation.

Status of Forces Agreement

A specific example that comes to mind is the so-called Status of Forces Agreement.² This agreement defines the rights and duties of the forces of NATO when stationed in a country other than their own. Because movement of NATO forces from one country to another was a matter of military neces-

² For background, see BULLETIN of Apr. 27, 1953, p. 628.

sity, it was essential to arrive at a uniform procedure with respect to the rights of the host government and those of the military command.

Thus, representatives of the NATO nations negotiated an agreement in the spring of 1951 which was signed in London in June of that year. The United States was affected both as a "sending" and a "receiving" nation, because we have troops stationed abroad and there are troops of other nations in this country. Among the more important rights guaranteed us as a "sending" state were freedom from passport and visa requirements and immigration inspection. We obtained certain tax and customs concessions, and our troops were accorded the right to carry arms under orders. As were other sending states, we were also given certain rights with respect to the exercise of criminal jurisdiction over our troops. As a receiving state, we also granted similar rights that, except for criminal jurisdiction, represent little in the way of concessions because they were already standard practice under existing U.S. law or administrative procedures.

However, it was article VII of the agreement, dealing with criminal jurisdiction, which stirred up a fuss in some quarters here. This article aimed at reconciling the principle of territorial sovereignty and the legitimate interest of the sending state in the discipline, welfare, and morale of its troops.

The way the matter was handled seems eminently fair and reasonable. The military jurisdiction of the sending state was recognized as coexistent with the territorial jurisdiction of the receiving state. For example, in France the U.S. forces are permitted to exercise the jurisdiction granted by Congress in the Uniform Code of Military Justice. This military jurisdiction is made exclusive of the French jurisdiction in crimes punishable by the Uniform Code, but not by French law. Conversely, French jurisdiction is exclusive when the crime is punishable only under French law. All other crimes are within concurrent jurisdiction of both.

However, U.S. military authorities have primary jurisdiction when the offense is solely against the property or security of the United States; or solely against the person or property of another member of the United States forces, a civilian in their employ, or a dependent of either.

Finally, the United States takes jurisdiction where the offense arose out of any act or omission occurring in the performance of official duty. In other cases, such as assault and battery while *off duty*, the jurisdiction is French.

United States negotiators also took care to have written into the agreement guaranties that the basic judicial safeguards given the defendant in an American court would apply to a sending state defendant on trial before a receiving state court.

Now, contrary to what you may have heard, there is no principle of international law which

grants to troops stationed on foreign soil immunity from the criminal jurisdiction of the courts of the nation in which they are stationed. I will not offer here the legal arguments which establish that fact. But if you want an authority, I can offer you the Attorney General of the United States, who has so testified, or John Foster Dulles, who besides being Secretary of State is one of the Nation's leading legal minds in matters of international law.

But to give you an idea of the concessions obtained by the American negotiators, let me cite to you the agreement on the same subject reached by the Brussels Treaty Powers in December 1949. Each of these powers, France, Belgium, the Netherlands, Luxembourg, and the United Kingdom signed the NATO Status of Forces Agreement. They agreed that members of a foreign force who commit an offense in the receiving state which violates its laws can be prosecuted in its courts. And there are no exceptions to this provision. But the NATO agreement grants U.S. forces extensive immunity. In effect, they can only be tried in a foreign court for offenses committed while off duty against persons not U.S. nationals or not in U.S. employ.

Those in this country who have opposed the Status of Forces Agreement have attempted to make capital out of the case of Private Richard Keefe, who was tried and convicted by a French court and sentenced to 5 years' imprisonment. One American newspaper represented Keefe's case as a tragedy traceable to the Status of Forces Agreement. The paper termed Keefe's offense as "some high jinks in the course of which he moved off in a taxi cab that did not belong to him."

Let me give you the facts of the Keefe case, and then you can form your own opinion. Private Keefe and a companion were in Orleans, without permission. They hired a cab driven by a 65-year-old Frenchman. After driving some miles, they assaulted the driver in what the newspaper, I suppose, would describe as merely a fit of youthful exuberance. They beat the old man, strangled him, and threw him out of the cab. They left him on the roadside in serious condition and drove on to Paris, where they abandoned the cab. They were arrested there several days later and charged with theft with violence.

Now, let's put the shoe on the other foot. How would you feel if a French soldier doing the town here in Knoxville mugged and robbed a Knoxville cab driver? I think you'd want to see him stand trial before an American court.

In the opinion of the French Ministry of Justice, Keefe and his companion committed an offense serious enough to have warranted a charge of attempted murder accompanied by theft, which carries a penalty of capital punishment. The average sentence for French nationals convicted of the crime with which Keefe and his companion were charged is in excess of 10 years. But Keefe's sentence was held to the minimum of 5 years—and

not at hard labor. It is doubtful that he would have gotten off so lightly had he been given a general court martial.

The lenient treatment given Keefe has been duplicated in many other instances. From August 23 to November 30, 1953, 22 members of the U.S. Armed Forces were tried in foreign courts. Ten of these were acquitted. Of the 12 convicted, 5 received suspended sentences and the other 7 received lighter sentences than they could have expected had action been brought against them in U.S. military or civil courts.

So instead of the dire predictions made by opponents of the agreement coming true, the reverse is the case. That, to me, is evidence that it is a fair agreement which is being fairly applied.

Question of Red China in U.N.

I would like to take up briefly another matter about which there has been a flurry of alarm—the possibility of Red China being seated in the United Nations. I will deal with that possibility in a few minutes, but first I want to comment on the proposal that, if Red China is admitted, the United States should pull out.

In my opinion to do so would be a complete and unjustified surrender to the Soviet Union—a surrender as abject and as unwarranted as any the men in the Kremlin could dream up. If we should quit in a pet and sulk on the sidelines because we lost a decision, the Communists would be handed, without cost or sacrifice to themselves, a golden chance to achieve a dominant position in the United Nations and to make it a creature of Soviet policy.

As the United Nations now stands, the organization is a troublesome problem for the Kremlin. They don't dare walk out. They can't break it up. So far, they've been unable to take it over. And on more occasions than not, when they've tried to use it as a sounding board for Communist propaganda, their fictions and their lies have been exposed for the whole world to see—right on the floor of the Assembly. And much of their trouble stems from countermoves organized and led by the United States Mission.

Moreover, the actions of the Kremlin indicate that the Communists now realize that a change in strategy is indicated. And what is this change? Are they quitting? Certainly not. Their movement is in the other direction. Take UNESCO, for example. Since its inception, the Soviet Union has

refused to have anything to do with this specialized agency, and the several satellites who were members resigned several years ago. But recently the Soviet has displayed interest in membership in UNESCO. The Communist bloc has also shown signs of joining the ILO and several of the other U.N. agencies.

To me, that strategy is too obvious for anyone to overlook. They are trying to move in. And it is entirely possible that the attempt to seat Red China fits into this pattern.

So now we hear that we can combat this strategy by abandoning the U.N. without a fight—by making the exact move that the Kremlin would like to see us make. My fellow Legionnaires, I am forced to disagree. I am convinced that it is to the interest of the United States and to the interest of the anti-Communist nations to resist—as we have—the entry of Red China into the United Nations. And I am further convinced that we should stay in and fight the Communist purpose inside the United Nations as hard and with the same firm purpose that we are fighting it on the outside.

But for now, at least, I believe the question of Red Chinese membership in the United Nations is something of a tempest in a teapot. In one way or another, there have been more than 150 attempts to seat representatives of Red China in the U.N. or its agencies. And as of tonight not one member of that bandit government has U.N. credentials.

They have been stopped before, and I am sure they can and will be stopped again. The case against the Peiping regime has been constantly strengthened. They are a declared aggressor in Korea—an indictment of which they have not purged themselves. Their crime in Korea they have compounded by their attempt to take over Indochina through their creature, Ho Chi Minh. At Geneva, Peiping's representatives denounced the United Nations and excoriated the organization's representatives there.

In brief, the case against them is open and shut. I am confident the membership of the United Nations will respond to it—and find against them.

Here the transition to the crisis in Indochina becomes almost automatic. Today is the day of decision at Geneva—whether a cease-fire agreement will be reached before the midnight deadline set by the French Premier, Pierre Mendès-France, who promised to resign his office in case of failure.*

*From this point on, Mr. Morton spoke extemporaneously.

A Review of American Policy Toward Europe

by Douglas Dillon
*Ambassador to France*¹

I am very pleased to be here among you today and to have this opportunity to talk with you. I think you will agree, you who follow political developments with a professional eye and ear, that we are nearing a time of critical decision. I feel therefore that it would be appropriate, and useful, to review briefly with you the evolution of United States policy toward Europe from the end of the war to the present day and to draw certain conclusions for the future.

American policy toward Europe has two sources: one, which we may call our positive normal policy, draws its substance from our traditional feeling of friendship toward Europe; the second springs from our desire to protect ourselves from the menace of aggressive Soviet communism. This latter source, of course, is of recent development and is solely defensive in character. In many cases, as might be expected, these two prime movers of American foreign policy become fused into one.

In line with our traditional foreign policy toward Europe, the historic Marshall plan was announced by Secretary of State George Marshall on June 5, 1947, at Harvard University. The purpose of this far-reaching program was to provide economic assistance to the countries of Europe so that they could reorganize their shattered economies and again stand on their own feet. As was said at that time: to help others to help themselves. It was felt that this economic strength would give to the people of Europe full freedom of action and a revitalized outlook for the future. In this program some 14 billions of dollars have been contributed by the United States to help rebuild the war-torn countries of Western Europe and to prime the economic pumps. France's share, as you know, has been nearly one-quarter of the total.

The Marshall plan, let me point out, was not offered only to a selected group of nations. It was offered to all European countries. And it was the

Soviets, you will recall, who prevented the Czechs and other East European countries from participating in the program.

Now, turning to the defensive aspect of our foreign policy, we find that this policy, in the face of changing conditions, has been remarkably clear and constant for the last 7 years. Immediately after the end of the war, counting on the good faith of our Allies, including the Soviet Union, the United States rapidly dismantled what was then the most powerful military machine that had ever been assembled. In accordance with our American tradition, millions of men were rapidly demobilized and returned to their homes. At that moment the outlook for the world was bright, but we were soon to be sorely disappointed. The Soviet Union, as is well known, did not follow our example. The Soviets did not disarm and, instead, continued to maintain huge armies in being—far larger than were necessary for their own defense. They tore up their pledges made at Yalta to allow free elections in Poland, Hungary, Rumania, and Bulgaria and instead put into power in those countries puppets of their own choosing—and, in many cases, of their own training—men who were willing to bind their nations forcibly to the chariot of Soviet imperialism. They also began an insidious campaign of discord and distrust throughout Western Europe, then struggling to rise out of the confusion and chaos of war. They played on the misery of the masses, and they strove by subversion and the threat of armed might to dominate all Europe.

The Soviet-engineered coup in Prague forcibly carried Czechoslovakia behind the Iron Curtain. Together with the Berlin blockade, this action revealed the intent of the Soviet Union to expand its control to all Europe.

Despite almost total disarmament by the United States, the Soviets continued to strengthen their military and air forces, and built up a powerful navy. Moreover, in utter disregard of treaty obligations, they built up military forces in the countries of central and southeastern Europe

¹ Address made before the Anglo-American Press Association at Paris, France, on June 29.

and, more recently, developed a strong paramilitary force in Eastern Germany. These satellite military machines were trained, equipped, and closely linked to the high command of the Soviet armed forces.

These actions made it clear to the West that if freedom were to survive it would be necessary to create in Western Europe a military counterbalance and deterrent to Soviet military might.

North Atlantic Treaty

The nations of Western Europe consulted together with the United States and Canada and the result was the North Atlantic Treaty alliance, which was signed in April 1949. Here for the first time in peacetime the United States undertook military commitments to nations across the waters from our continent. The American people took this grave step willingly and with their eyes open, because they knew that, if the cause of liberty in Western Europe were lost, it would be the beginning of the end for liberty throughout the world.

To implement the North Atlantic Treaty the United States undertook a second tremendous effort—assisting in the rearmament of the NATO countries and re-creating a strong American defensive force. Today this effort is on the way to being accomplished and the Soviet and satellite armed forces face a Western Europe which is not without means of defending itself.

However, in 1950 a new element entered the situation. Following the withdrawal of the United States Army from the Republic of South Korea, the North Korean puppets, reinforced by the full strength of the Chinese Communists, engineered and launched a military assault upon that free Republic. The United Nations condemned this aggression, and 15 member states joined with the United States in resisting the Communist onslaught. This willingness on the part of Soviet communism to use naked military force to reach its objective forced the nations in the North Atlantic alliance to take a new look at their defensive capabilities.

By that time it had become crystal clear to all of the countries of the NATO alliance that, if adequate strength was to be created in Western Europe to make possible a successful bulwark against the Soviet and satellite armies, the military support of the Federal Republic of Germany was needed. The necessity for the rearmament of Western Germany understandably caused deep misgivings in the countries of Europe who had suffered so recently from Nazi aggression. The United States quite properly left the decision as to how the rearmament of Western Germany was to be effected to the countries of Western Europe. And France took the lead in making this decision.

European Defense Community

The result was the European Defense Community Treaty, providing for a common army and for a common defense within NATO among France, Italy, the Benelux countries, and Western Germany. This treaty was signed in Paris in May 1952. Hand in hand with this treaty went the decision to grant the Federal Republic of Germany the attributes of full sovereignty. This second treaty—known as the Contractual Agreement—was signed in Bonn also in May 1952. Since that date the Treaty of Bonn has been ratified by three of the four signatories: the Federal Republic of Germany, the United Kingdom, and the United States. Only ratification by France remains. The treaty establishing the European Defense Community has also been ratified by Belgium, Luxembourg, the Netherlands, and the Federal Republic, while ratification by France and Italy is still awaited.

The United States has supported and continues to support the European Defense Community Treaty for two basic reasons.

First, through this treaty will be created adequate military strength to achieve an effective NATO strategy for the forward defense of Western Europe. Furthermore, one cannot expect the present NATO armies to continue indefinitely to bear the burden of defending Western Germany, unless Western Germany contributes her full share to the common defense.

Secondly, the United States supports the European Defense Community because it sees in this pooling of defense the mechanism by which the defensive character of German rearmament can best be guaranteed. Twice in 25 years we have had to fight against German aggression. The cemeteries here in France of our soldier dead of two wars are evidence of our determination to preserve freedom and liberty against the forces of totalitarian aggression. We therefore wish to see Germany tied so closely to the Western community that history cannot repeat itself.

In a final effort to overcome the fears and misunderstandings of our European friends regarding United States policy toward Europe, President Eisenhower this spring took the step of clarifying in very important respects the policy the United States would pursue in the event that the European Defense Community should come into being, thus creating the strength required to make possible and practicable the forward defense of Western Europe. This clarification took the form of a letter sent last April 16 to the Prime Ministers of the six countries which had signed the European Defense Community Treaty.² Engagements taken by the United States in this letter—engagements conditioned on EDC coming into

² BULLETIN of Apr. 26, 1954, p. 619.

force—are of great importance for several reasons.

In the first place, they were carefully coordinated by the President with the leaders of both political parties in the Congress and can be taken to represent the joint, bipartisan views of the American people.

Secondly, the assurances contained engagements going well beyond those required of the United States by the North Atlantic Treaty. Only the coming into being of the European Defense Community can provide a reason for the United States to take on these additional commitments.

The President's letter included the pledge,

The United States will continue to maintain in Europe, including Germany, such units of its armed forces as may be necessary and appropriate to contribute its fair share of the forces needed for the joint defense of the North Atlantic area while a threat to that area exists, and will continue to deploy such forces in accordance with agreed North Atlantic strategy for the defense of this area.

As you all know, the North Atlantic strategy for the safeguarding of the area is a forward defense covering all the territory of Western Europe. In addition, the United States agreed,

The United States will consult with its fellow signatories to the North Atlantic Treaty and with the European Defense Community on questions of mutual concern, including the levels of the respective armed forces of the European Defense Community, the United States and other North Atlantic Treaty countries to be placed at the disposal of the Supreme Commander in Europe.

This is a pledge to consult with our Allies before making any changes in the strength of our forces assigned to Europe.

In addition, the United States agreed to encourage close integration between American and European Defense Community forces and to seek means of granting to the Atlantic Community greater information regarding the military utilization of new weapons. Finally, the United States again stated it would regard any action which threatened the integrity or unity of the European Defense Community as a threat to the security of the United States itself. This clearly refers not only to aggression from without but to rupture from within. The President added—and this also is of capital importance—that the United States will regard the North Atlantic Treaty as of indefinite duration. He said that it would appear quite contrary to our security interests for us to cease to be a party to the North Atlantic Treaty when there was established on the continent of Europe the solid core of unity which the European Defense Community will provide.

I want to make it very clear, however, that, while it will not be possible for the United States to undertake these substantial additional commitments until Epc comes into being, the North Atlantic Treaty itself—and in any event—remains a basic part of United States foreign policy.

Western Germany

During the 2 years since the signature of the treaties of Bonn and Paris we have seen a great resurgence in the Federal Republic of Western Germany. This resurgence has manifested itself both on the political and economic level. Politically, by the elections last fall, the people of West Germany chose to throw in their lot with the freedom-loving peoples of Western Europe and to support a policy of European cooperation and eventual European unity. Extremist elements, both of the right and the left, were vigorously rejected. This evidence of political maturity on the part of the German people was welcomed by all peace-loving people everywhere.

To acknowledge and to encourage that favorable development in Germany, which constitutes a unique opportunity in the history of Europe, we feel it is not only fair but also necessary to restore sovereignty to the Germans. That sovereignty was promised 2 years ago and is now being delayed by the difficulties which our French friends are encountering in making up their minds regarding the European Defense Community.

I am sure it must be clear to all of you that, should we have to renegotiate a peace treaty with West Germany today, we could not possibly expect to achieve the favorable conditions of the Epc and the contractual agreements which were worked out over 2 years ago. It must be equally clear that, just as Germany's strength is required to complete the forward defense of NATO, so we cannot expect the other NATO members to continue to defend Germany without a proportionate German contribution. The Germans, having shown their political maturity, should now assume their share of the common defense alongside the other nations that today are carrying the load in men and arms.

The real question of the day which France must now answer for herself and before history is this: Shall the inevitable rearmament of Germany be a controlled rearmament within a European Defense Community or shall there be recreated once again an independent German National Army?

In this connection, I would like to read you a brief excerpt from a declaration signed at Royau-mont 2 weeks ago by some very eminent Frenchmen:

France should not imagine that in saying no to the European Defense Community Treaty she would prevent the rearming of Germany. She would simply remove the rearming of Germany from all control and render it more massive. In causing the failure of the Epc, France would set aside the proffered opportunity to bring Franco-German antagonism to an end, an antagonism which has cost the two countries, Europe, and the world, so much in the past. She would also run the danger of throwing a disappointed Germany toward the East. It would greatly endanger the future of western civilization as a whole. What is urgently required of us is a hearty and sincere adhesion to a constructive work of which we have been the promoters; an adhesion following which it will

be possible to make improvements in details, but in the absence of which the whole structure will collapse.

I can find nothing to add to this extraordinarily forthright and lucid interpretation of the situation today.

I have spoken to you about our policy toward Europe, about our help for its shattered economies and our desire to help in its defense. I have had to dwell at greater length on the defense aspects of cooperation between America and Europe, not because defense is the most important ultimate objective but because it is the precondition, the essential precondition, for everything else that either America or Europe may wish to do. If we cannot defend ourselves, if we cannot create the conditions of balance in the world that give us a minimum of security, then the really important and worthwhile things cannot be done either. Our fundamental objective is, of course, the well-being of the world in an atmosphere of peace, prosperity, and freedom.

Bearing in mind that an effective defense is the

essential precondition, I want to emphasize that our activities are not confined to that sphere alone. Unity is important not only because it makes defense more effective but also because it helps us to move in the direction of greater prosperity and allows us to be better prepared for that future time when our resources and energies need no longer be devoted so largely to military defense. We must plan for the time, as President Eisenhower told the U.N. General Assembly last December, when the genius of our scientists and technicians can be wholly applied to raising the living standards of mankind.

In the meantime, the Marshall plan of which I have spoken, the point 4 program, the American support for the Coal and Steel Community and for the principle of a European Political Community, our cooperation with the Organization for European Economic Cooperation and our encouragement of all other efforts toward unity and economic advancement—these are concrete evidence that we have not lost sight of the ultimate objective.

Geneva Conference on Indochina Concluded

U.S. DECLARATION ON INDOCHINA

Press release 394 dated July 21

Following is the text of a statement made by Under Secretary Walter B. Smith at the concluding Indochina plenary session at Geneva on July 21.

As I stated on July 18,¹ my Government is not prepared to join in a declaration by the Conference such as is submitted. However, the United States makes this unilateral declaration of its position in these matters:

Declaration

The Government of the United States being resolved to devote its efforts to the strengthening of peace in accordance with the principles and purposes of the United Nations takes note of the agreements concluded at Geneva on July 20 and 21, 1954 between (a) the Franco-Laotian Command and the Command of the Peoples Army of Viet-Nam; (b) the Royal Khmer Army Command and the Command of the Peoples Army of Viet-Nam; (c) Franco-Vietnamese Command and the Command of the Peoples Army of Viet-Nam and

of paragraphs 1 to 12 inclusive of the declaration presented to the Geneva Conference on July 21, 1954 declares with regard to the aforesaid agreements and paragraphs that (i) it will refrain from the threat or the use of force to disturb them, in accordance with Article 2 (4) of the Charter of the United Nations dealing with the obligation of members to refrain in their international relations from the threat or use of force; and (ii) it would view any renewal of the aggression in violation of the aforesaid agreements with grave concern and as seriously threatening international peace and security.

In connection with the statement in the declaration concerning free elections in Viet-Nam my Government wishes to make clear its position which it has expressed in a declaration made in Washington on June 29, 1954,² as follows:

In the case of nations now divided against their will, we shall continue to seek to achieve unity through free elections supervised by the United Nations to insure that they are conducted fairly.

With respect to the statement made by the representative of the State of Viet-Nam, the United States reiterates its traditional position that peoples are entitled to determine their own future and

¹ Not printed.

² BULLETIN of July 12, 1954.

that it will not join in an arrangement which would hinder this. Nothing in its declaration just made is intended to or does indicate any departure from this traditional position.

We share the hope that the agreements will permit Cambodia, Laos and Viet-Nam to play their part, in full independence and sovereignty, in the peaceful community of nations, and will enable the peoples of that area to determine their own future.

NEWS CONFERENCE STATEMENT BY THE PRESIDENT

White House press release dated July 21

I am glad, of course, that agreement has been reached at Geneva to stop the bloodshed in Indochina.

The United States has not been a belligerent in the war. The primary responsibility for the settlement in Indochina rested with those nations which participated in the fighting. Our role at Geneva has been at all times to try to be helpful where desired and to aid France and Cambodia, Laos, and Viet-Nam to obtain a just and honorable settlement which will take into account the needs of the interested people. Accordingly, the United States has not itself been party to or bound by the decisions taken by the Conference, but it is our hope that it will lead to the establishment of peace consistent with the rights and the needs of the countries concerned. The agreement contains features which we do not like, but a great deal depends on how they work in practice.

The United States is issuing at Geneva a statement to the effect that it is not prepared to join in the Conference declaration, but, as loyal members of the United Nations, we also say that, in compliance with the obligations and principles contained in article 2 of the United Nations Charter, the United States will not use force to disturb the settlement. We also say that any renewal of Communist aggression would be viewed by us as a matter of grave concern.

As evidence of our resolve to assist Cambodia and Laos to play their part, in full independence and sovereignty, in the peaceful community of free nations, we are requesting the agreement of the Governments of Cambodia and Laos to our appointment of an Ambassador or Minister to be resident at their respective capitals (Phnom Penh and Vientiane). We already have a Chief of Mission at Saigon, the capital of Viet-Nam, and this Embassy will, of course, be maintained.

The United States is actively pursuing discussions with other free nations with a view to the rapid organization of a collective defense in Southeast Asia in order to prevent further direct or indirect Communist aggression in that general area.

NEWS CONFERENCE STATEMENT BY SECRETARY DULLES

Press release 400 dated July 23

The Geneva negotiations reflected the military developments in Indochina. After nearly 8 years of war the forces of the French Union had lost control of nearly one-half of Viet-Nam, their hold on the balance was precarious, and the French people did not desire to prolong the war.

These basic facts inevitably dominated the Indochina phase of the Geneva Conference and led to settlements which, as President Eisenhower said, contain many features which we do not like.

Since this was so, and since the United States itself was neither a belligerent in Indochina nor subject to compulsions which applied to others, we did not become a party to the Conference results. We merely noted them and said that, in accordance with the United Nations Charter, we would not seek by force to overthrow the settlement. We went on to affirm our dedication to the principle of self-determination of peoples and our hope that the agreements would permit Cambodia, Laos, and Viet-Nam to be really sovereign and independent nations.

The important thing from now on is not to mourn the past but to seize the future opportunity to prevent the loss in northern Viet-Nam from leading to the extension of communism throughout Southeast Asia and the Southwest Pacific. In this effort all of the free nations concerned should profit by the lessons of the past.

One lesson is that resistance to communism needs popular support, and this in turn means that the people should feel that they are defending their own national institutions. One of the good aspects of the Geneva Conference is that it advances the truly independent status of Cambodia, Laos, and southern Viet-Nam. Prime Minister Mendès-France said yesterday that instructions had been given to the French representatives in Viet-Nam to complete by July 30 precise projects for the transfers of authority which will give reality to the independence which France had promised. This independence is already a fact in Laos and Cambodia, and it was demonstrated at Geneva, notably by the Government of Cambodia. The evolution from colonialism to national independence is thus about to be completed in Indochina, and the free governments of this area should from now on be able to enlist the loyalty of their people to maintain their independence as against Communist colonialism.

A second lesson which should be learned is that arrangements for collective defense need to be made in advance of aggression, not after it is under way. The United States for over a year advocated united action in the area, but this proved not to be practical under the conditions which existed. We believe, however, that now it will be

practical to bring about collective arrangements to promote the security of the free peoples of Southeast Asia. Prompt steps will be taken in this direction. In this connection we should bear in mind that the problem is not merely one of deterring open armed aggression but of preventing Communist subversion which, taking advantage of economic dislocations and social injustice, might weaken and finally overthrow the non-Communist governments.

If the free nations which have a stake in this area will now work together to avail of present opportunities in the light of past experience, then the loss of the present may lead to a gain for the future.

TEXT OF FINAL DECLARATION

[Unofficial translation]

Final declaration, dated July 21, 1954, of the Geneva Conference on the problem of restoring peace in Indochina, in which the representatives of Cambodia, the Democratic Republic of Viet-Nam, France, Laos, the People's Republic of China, the State of Viet-Nam, the Union of Soviet Socialist Republics, the United Kingdom and the United States of America took part.

1. The Conference takes note of the agreements ending hostilities in Cambodia, Laos, and Viet-Nam and organizing international control and the supervision of the execution of the provisions of these agreements.

2. The Conference expresses satisfaction at the ending of hostilities in Cambodia, Laos, and Viet-Nam. The Conference expresses its conviction that the execution of the provisions set out in the present declaration and in the agreements on the cessation of hostilities will permit Cambodia, Laos, and Viet-Nam henceforth to play their part, in full independence and sovereignty, in the peaceful community of nations.

3. The Conference takes note of the declarations made by the Governments of Cambodia and of Laos of their intention to adopt measures permitting all citizens to take their place in the national community, in particular by participating in the next general elections, which, in conformity with the constitution of each of these countries, shall take place in the course of the year 1955, by secret ballot and in conditions of respect for fundamental freedoms.

4. The Conference takes note of the clauses in the agreement on the cessation of hostilities in Viet-Nam prohibiting the introduction into Viet-Nam of foreign troops and military personnel as well as of all kinds of arms and munitions. The Conference also takes note of the declarations made by the Governments of Cambodia and Laos of their resolution not to request foreign aid, whether in war material, in personnel, or in instructors except for the purpose of effective defense of their territory and, in the case of Laos, to the extent defined by the agreements on the cessation of hostilities in Laos.

5. The Conference takes note of the clauses in the agreement on the cessation of hostilities in Viet-Nam to the effect that no military base at the disposition of a foreign state may be established in the regrouping zones of the two parties, the latter having the obligation to see that the zones allotted to them shall not constitute part of any military alliance and shall not be utilized for the resumption of hostilities or in the service of an aggressive policy. The Conference also takes note of the declarations of the Governments of Cambodia and Laos to the effect

that they will not join in any agreement with other states if this agreement includes the obligation to participate in a military alliance not in conformity with the principles of the charter of the United Nations or, in the case of Laos, with the principles of the agreement on the cessation of hostilities in Laos or, so long as their security is not threatened, the obligation to establish bases on Cambodian or Laotian territory for the military forces of foreign powers.

6. The Conference recognizes that the essential purpose of the agreement relating to Viet-Nam is to settle military questions with a view to ending hostilities and that the military demarcation line should not in any way be interpreted as constituting a political or territorial boundary. The Conference expresses its conviction that the execution of the provisions set out in the present declaration and in the agreement on the cessation of hostilities creates the necessary basis for the achievement in the near future of a political settlement in Viet-Nam.

7. The Conference declares that, so far as Viet-Nam is concerned, the settlement of political problems, effected on the basis of respect for the principles of independence, unity, and territorial integrity, shall permit the Vietnamese people to enjoy the fundamental freedoms, guaranteed by democratic institutions established as a result of free general elections by secret ballot.

In order to insure that sufficient progress in the restoration of peace has been made, and that all the necessary conditions obtain for free expression of the national will, general elections shall be held in July 1956, under the supervision of an international commission composed of representatives of the member states of the International Supervisory Commission referred to in the agreement on the cessation of hostilities. Consultations will be held on this subject between the competent representative authorities of the two zones from April 20, 1955, onwards.

8. The provisions of the agreements on the cessation of hostilities intended to insure the protection of individuals and of property must be most strictly applied and must, in particular, allow every one in Viet-Nam to decide freely in which zone he wishes to live.

9. The competent representative authorities of the northern and southern zones of Viet-Nam, as well as the authorities of Laos and Cambodia, must not permit any individual or collective reprisals against persons who have collaborated in any way with one of the parties during the war, or against members of such persons' families.

10. The Conference takes note of the declaration of the French Government to the effect that it is ready to withdraw its troops from the territory of Cambodia, Laos, and Viet-Nam, at the request of the governments concerned and within a period which shall be fixed by agreement between the parties except in the cases where, by agreement between the two parties, a certain number of French troops shall remain at specified points and for a specified time.

11. The Conference takes note of the declaration of the French Government to the effect that for the settlement of all the problems connected with the reestablishment and consolidation of peace in Cambodia, Laos, and Viet-Nam, the French Government will proceed from the principle of respect for the independence and sovereignty, unity, and territorial integrity of Cambodia, Laos, and Viet-Nam.

12. In their relations with Cambodia, Laos, and Viet-Nam, each member of the Geneva Conference undertakes to respect the sovereignty, the independence, the unity, and the territorial integrity of the above-mentioned states, and to refrain from any interference in their internal affairs.

13. The members of the Conference agree to consult one another on any question which may be referred to them by the International Supervisory Commission, in order to study such measures as may prove necessary to insure that the agreements on the cessation of hostilities in Cambodia, Laos, and Viet-Nam are respected.

U.S. Airlift of French Union Forces Wounded in Indochina

Press release 391 dated July 19

Upon completion of the airlift by the United States Air Force from Indochina to France of French Union forces wounded at Dien Bien Phu, Pierre Mendès-France sent the following message to Secretary Dulles:

MR. SECRETARY,

At the time when the repatriation of 500 wounded from Indochina is being completed, I wish to express to you the gratitude of the French Government and of the peoples of the French Union for the humanitarian and generous deed performed by your country. Thanks to the United States, our wounded have not only been brought back to their families under the best conditions of comfort and speed but they have also been throughout their trip the object of devoted care and of marks of friendship which will long live in their memories.

PIERRE MENDÈS-FRANCE

Chinese Communist Attack on British Airliner

Statement by Secretary Dulles

Press release 404 dated July 24

This Government has been informed by Consul General Julian F. Harrington at Hong Kong that a Cathay Pacific commercial airliner on a routine flight from Bangkok to Hong Kong was deliberately shot down by two Chinese Communist based fighter aircraft about 30 miles south of Hainan Island at 6:45 a. m. July 23 local time or 6:45 p. m., E. D. T. July 22.

The passengers included six American citizens of whom three perished and three were rescued by a relief operation in which the United States, French, and British planes cooperated. The Secretary of Defense has issued orders directing two U.S. aircraft carriers to proceed to the scene and to cover and protect further rescue and search operations by U.S. ships and aircraft in the vicinity of the spot.

So far as is known, there are 8 survivors out of a total of 17 passengers and 4 crew. The Americans lost were Leonard Lee Parish of Iowa Park, Tex., and his two sons, Laurence, age 4, and Philip, age 2. Mrs. L. L. Parish and her daughter Valerie, age 6, survived. Peter S. Thacher of Stonington, Conn., also survived. Mrs. Parish, her daughter, and Mr. Thacher were among survivors brought to Hong Kong by an amphibious U.S. Air Force plane based at Clark Field, P.I. The loss of life among passengers and crew of a

civilian plane proceeding on a normal, scheduled flight elicits our deepest feelings of sympathy.

The U.S. Government takes the gravest view of this act of further barbarity for which the Chinese Communist regime must be held responsible. The action to be taken by the United States will be subsequently announced.

The British Government has advised us that it has instructed its diplomatic representative at Peiping to lodge a strong protest against this wanton attack on a civilian aircraft.

Aid for Flood Victims in Austria

Press release 397 dated July 22

Unusual rain and melting of snow has caused heavy floods in the Danube River Basin. Lives have been lost and thousands have been made homeless or destitute by the unprecedented floods. Resources were mobilized immediately to prevent further damage and to provide for the immediate relief of the sufferers. The Department is pleased to note that members of the American Forces in Austria and Western Germany and representatives of other American agencies in the Danube area have been and are continuing to assist in this work.

Now the immediate danger seems to have passed but there remains a great work still to be done to repair the damage left in the wake of the floods. Homes have to be rebuilt and the destitute have to be assisted to get back on their feet again. In order to assist in this work in Austria a committee has been formed under the auspices of CARE. Sen. Robert C. Hendrickson (Rep. N. J.), former Deputy Military Governor of Upper Austria with headquarters in Linz, has accepted the chairmanship of this CARE Committee for Austrian Flood Relief and Rehabilitation. Knowing of the fundamental sympathy which the American people have always held for the Austrian people in their long struggle for freedom, the Department is confident that there will be generous response to the appeal of Senator Hendrickson's Committee.

Agricultural Trade Act Signed

Statement by the President

White House press release dated July 10

I am happy to sign today the Agricultural Trade and Development Act of 1954.¹ It is an essential part of the comprehensive agricultural program which I recommended to the Congress on

¹ Public Law 480, 83d Cong.

January 11, 1954. In the face of burdensome and growing stocks of agricultural products, the administration urged the enactment of legislation providing for flexible price supports and other measures designed to check the accumulation of surpluses. We recommended that the burdensome stocks which had already accumulated be liquidated over a period of time, through disposal programs that would create new markets for United States products and assist friendly countries.

The Agricultural Trade and Development Act is well designed for its purpose of "providing a means whereby surplus agricultural commodities in excess of the usual marketings of such commodities may be sold." It will lay the basis for a permanent expansion of our exports of agricultural products, with lasting benefits to ourselves and peoples in other lands. The act also provides authority to give surpluses to meet famine and other emergency requirements, thus enabling us to maintain our American tradition of generous help in time of need.

The act wisely sets forth the intention of the Congress that it shall expand world trade on a sound basis, and not disrupt it. I am glad that this makes it possible for me to assure normal suppliers to commercial markets at home and abroad that the act will be administered so that the United States will not be engaging in unfair competition or in other practices which would disturb world markets. Such disturbance to markets would not only cause serious harm to other countries but would harm us most of all, since we are the world's largest exporter. Thus, in following our own broad interests, we shall be reflecting our responsibilities as a member of the family of nations.

President Decides Against Restricting Fish Imports

White House press release dated July 2

The President on July 2 declined to accept the recommendations of the United States Tariff Commission for an increase in the duty on imported groundfish fillets and for a quota on imports in any one year.

The Tariff Commission had made an investigation of the effect of a trade agreement concession on the domestic groundfish fillets industry, under Section 7 of the Trade Agreements Extension Act of 1951.¹

The President, in identical letters to Senator Eugene D. Millikin, Chairman of the Senate Fi-

¹ Copies of the Tariff Commission's report may be obtained from the U.S. Tariff Commission, Washington 25, D. C.

nance Committee, and Representative Daniel A. Reed, Chairman of the House Ways and Means Committee, outlined certain of the problems confronting the domestic industry in recent years apart from the threat of imports from abroad. The President then pointed out that the recent introduction of a new product, fish sticks, demand for which has increased markedly even since the Tariff Commission prepared its report, leads him to believe that consumption of groundfish fillets promises to increase substantially within the next few years.

The President stated his conviction that "it would be a disservice to the long-run interests of the entire groundfish industry to limit the imports of groundfish fillets in these circumstances."

"It would," the President said, "hamper and limit the development of the market for the product and jeopardize present prospects for the increase in per capita consumption of fish which is the key to a real solution of the industry's problem."

Text of President's Letter

JULY 2, 1954

DEAR MR. CHAIRMAN: On May 7, 1954, the United States Tariff Commission, pursuant to an investigation under Section 7 of the Trade Agreements Extension Act of 1951, recommended restrictive action with regard to imports of frozen groundfish fillets, that is fillets of cod, haddock, pollock, cusk and rosefish.

The action recommended by three of the six commissioners was that the tariff on a certain part of our imports of groundfish fillets should be raised from 17½ cents per pound to 21½ cents per pound and further that the imports in any one year should be limited to a quota of 37 percent of the average annual consumption of groundfish fillets during the immediately preceding five years. Two commissioners recommended against this action. One commissioner did not participate in the decision because of a death in his family.

The basic issue that the commissioners had to determine was whether serious injury is being threatened or caused by increased imports at a rate of duty reflecting a concession made in a trade agreement with a foreign country. The concession in question was made originally to Canada in the Trade Agreement of 1938 and renewed in 1947 in the General Agreement on Tariffs and Trade. The concession consists of an undertaking by our government not to charge a rate of duty higher than 17½ cents per pound on the first 15 million pounds of groundfish fillets imported in any year. A rate of 21½ cents applies under the concession to imports in excess of this figure. The concession also provides that, whenever the average consumption in the United States during the immediately preceding three years exceeds 100 million pounds,

the lower duty would apply to 15 percent of this average consumption figure. On the basis of 1953 imports, the recommended action would raise the duty on 34 million pounds of fillets and reduce the total quantity of imports by 13 million pounds.

The fishing industry of New England, which produces most of the domestic groundfish fillets, has not had an easy time over the years. It has been plagued with a number of difficult problems which have been the subject of extensive study. Groundfish of certain species have become scarcer on the nearby banks. This has meant longer voyages, higher costs and a need to fish more intensively. There have been labor-management difficulties and competition from imports have been stiff in the face of a market which has not been growing adequately.

The great unsolved problem of this industry has been how to expand its markets. Per capita consumption of fish in the United States, particularly in the Middle West, has remained relatively low. To increase consumption, the industry has sought ways to put fresh or frozen fish more frequently into everybody's diet. It has sought better packaging, better marketing, better advertising, and ways to make fish easier for the housewife to prepare. These efforts cannot, of course, succeed without at the same time keeping prices of fish in line with other products competing for the consumer's taste.

Recent developments have brought another great forward step in the introduction of a new product, fish sticks. Even at the time when the Tariff Commission prepared its report, there was some evidence that fish sticks might bring about a substantial increase in total groundfish consumption. Events have moved so rapidly since then that it now appears the industry's major problem is going to be to keep pace with demand, which this year is expected to be four or five times larger than it was last year. Fish filets have always offered a relatively inexpensive source of protein. Fish sticks now appear to offer this advantage combined with ease of preparation. That being the case, it seems likely that fish sticks may finally bring about an increase in consumption of fish, which has held steady at between 10 and 12 pounds per capita annually for almost fifty years. Conceivably, consumption may increase by almost 50 percent within a few years as a result of the new product.

Thus it appears that the industry is on the way to solving an important part of its problem by tapping a new mass market. It seems particularly important not to interfere with that development but to give it fullest scope and encouragement. I have tried to measure the proposed import restriction in the light of this basic need. I am firmly convinced that it would be a disservice to the long-run interests of the entire groundfish industry to limit the imports of groundfish fillets in these circumstances. Such action would reduce the raw material supplies of the processors of fish sticks.

It would create an artificial scarcity and tend to increase the price. At the same time it would hamper and limit the development of the market for the product and jeopardize present prospects for the increase in per capita consumption of fish which is the key to a real solution of the industry's problem. I have, therefore, after full consideration of the matter, decided against restrictive action.

The solution which appears to hold the best prospect for a vigorous, healthy domestic industry also best serves to strengthen the economies of several friendly nations. Although most of our groundfish fillets come from Canada, a substantial part come from Iceland, as well as such other countries as Norway, Denmark, the United Kingdom, West Germany and the Netherlands.

I am fully aware that the industry's problems have not all been solved. Further research in fishing technology, in conservation, and in knowledge of development and movement of the fish is needed. Fish processing, packaging and marketing and consumer education all present additional fields for further work.

The Federal Government has an important role to play in furthering these objectives. Accordingly, I have recently signed S. 2802, which sets aside certain revenues from fishing products for a special fund to be administered by the Secretary of the Interior, the purpose of which shall be to carry on such research and market development as I have just outlined. The Federal Government will also be alert to find additional ways in which appropriate assistance can be rendered. An additional restriction on imports, however, would not, in my opinion, help in the overall task, but would hamper developments which now promise a brighter future, both for the industry and for the consumer.

Sincerely,

DWIGHT D. EISENHOWER

Change in Rate of Duty on Clover Seed Imports

White House Announcement

White House press release dated June 30

The President on June 30 issued a proclamation putting into effect certain recommendations of the U. S. Tariff Commission, made under section 7 of the Trade Agreements Extension Act, with respect to the rate of duty on imports of alsike clover seed.

The proclamation, which modifies the Tariff Commission's recommendations, retains the present duty of 2 cents per pound for the first 1,500,000 pounds of alsike clover imports. For imports above that amount, the 6 cents rate recommended by the Commission would be put into effect. The proclamation is limited to 1 year.

Alsike clover, which is grown for seed in rotation with barley and potatoes on acreage generally unsuitable for other crops because of climatic conditions, is produced largely in Oregon, Idaho, and California, while imports of alsike clover in recent years have been wholly from Canada. Imports have increased sharply from 1,157,000 pounds in 1947 to 4,652,000 pounds in the first 10 months of the 1953-54 crop year. During this period following the withdrawal of price support, the domestic price dropped from about 32 cents a pound to less than half that amount. The limitation of 1,500,000 pounds, to which the 2 cent duty rate applies, represents a figure slightly above the average imports for the 1947-51 period.

Text of Proclamation 3059¹

1. WHEREAS, pursuant to the authority vested in the President by the Constitution and the statutes including section 350 (a) of the Tariff Act of 1930, as amended, on October 30, 1947 he entered into a trade agreement with certain foreign countries, which trade agreement consists of the General Agreement on Tariffs and Trade and the related Protocol of Provisional Application thereof, together with the Final Act Adopted at the Conclusion of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment (61 Stat. (Parts 5 and 6) A7, A11, and A2050);

2. WHEREAS item 763 in Part I of Geneva-Schedule XX annexed to the said General Agreement reads in part as follows:

Tariff Act of 1930, paragraph	Description of Products	Rate of Duty
763	Grass seeds and other forage crop seeds: Alsike clover	2¢ per lb.

3. WHEREAS, in accordance with Article II of the said General Agreement and by virtue of Proclamation No. 2761A of December 16, 1947 (61 Stat. 1103), the United States customs treatment of alsike clover seed described in the said item 763 is the application of duty at the rate of 2 cents per pound, which treatment reflects the concession granted in the said General Agreement with respect to such product;

4. WHEREAS the United States Tariff Commission has submitted to me its report of an investigation, including a hearing, under section 7 of the Trade Agreements Extension Act of 1951, as amended, as a result of which the Commission has found that alsike clover seed described in the said item 763 is, as a result in part of the customs treatment reflecting the concession granted with respect to such product in the said General Agreement, being imported into the United States in such increased quantities

as to cause serious injury to the domestic industry producing like or directly competitive products;

5. WHEREAS section 350 (a) (2) of the Tariff Act of 1930, as amended (48 Stat. 943), authorizes the President to proclaim such modification of existing duties and such additional import restrictions as are required or appropriate to carry out any foreign trade agreement that the President has entered into under the said section 350 (a); and

6. WHEREAS I find that the modification of the concession granted in the said General Agreement with respect to alsike clover seed described in the said item 763 to permit the application to such seed of the duties hereinafter proclaimed is necessary to remedy the serious injury to the domestic industry producing the like or directly competitive product, and that upon such modification of the concession it will be appropriate to carry out the said General Agreement to apply to alsike clover seed the rates of duty hereinafter proclaimed:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under the authority vested in me by section 350 of the Tariff Act of 1930, as amended, and by section 7 (c) of the Trade Agreements Extension Act of 1951, as amended, and in accordance with the provisions of the said General Agreement, do proclaim—

(a) That the provision in the said item 763 with respect to alsike clover seed, referred to in the second recital of this proclamation, shall be modified, during the 12-month period beginning on July 1, 1954, to read as follows:

Tariff Act of 1930, paragraph	Description of Products	Rate of Duty
763	Grass seeds and other forage crop seeds: Alsike clover Provided, That not more than 1,500,000 pounds of such seed entered during the 12-month period beginning on July 1, 1954, shall be dutiable at 2 cents per pound. Any such seed not subject to the rate of 2 cents per pound shall be dutiable at	2¢ per lb. 6¢ per lb.

(b) That, during the 12-month period beginning on July 1, 1954, alsike clover seed described in the said item 763 as modified by paragraph (a) above, shall be subject to the rates of duty specified in such modified item 763.

Proclamation No. 2716A of December 16, 1947, as amended and supplemented, is modified accordingly during the 12-month period beginning on July 1, 1954.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this 30th day of June in the year of our Lord nineteen hundred and fifty-four, and of the Independence of the United States of America, the one hundred and seventy-eighth.

Dwight D. Eisenhower

By the President:

JOHN FOSTER DULLES,
Secretary of State.

¹ 19 Fed. Reg. 4103.

International Organizations and Conferences

Calendar of Meetings¹

Adjourned During July 1954

Geneva Conference	Geneva	Apr. 26- July 21
U.N. Trusteeship Council: 14th Session	New York	June 2-July 16
ICAO Meteorology Division: 4th Session	Montreal	June 15-July 13
WMO Aeronautical Meteorology Commission: 1st Session	Montreal	June 15-July 15
UNESCO Seminar on Educational and Cultural Television Program Production	London	June 27-July 17
ITU International Telegraph Consultative Committee: Study Group XI	Geneva	June 30-July 10
8th International Congress of Botany	Paris	July 2-14
Inter-American Technical Cacao Committee: 5th Meeting	Turrialba (Costa Rica)	July 4-10
17th Conference on Public Education (jointly with UNESCO)	Geneva	July 5-13
International Union of Pure and Applied Physics: 8th General Assembly	London	July 6-10
ICAO Informal South American Regional Communications Meeting on Aeronautical Fixed Services	Lima	July 6-13
International Sugar Council: Executive Committee Meeting	London	July 7
6th Pan American Highway Congress	Caracas	July 11-21
UNESCO Executive Board: 38th Session	Venice	July 14-28
International Whaling Commission: 6th Annual Meeting	Tokyo	July 19-23
International Union of Crystallography: 3d General Assembly	Paris	July 21-28

In Session as of July 31, 1954

XXVIIIth Art Biennale	Venice	June-
U.N. Economic and Social Council (Ecosoc): 18th Session	Geneva	June 29-
XVth International Exhibition of Cinematographic Art	Venice	July 6-
International Exposition and Trade Fair	São Paulo	July 9-
World Power Conference: Sectional Meeting	Rio de Janeiro	July 25-
GATT <i>Ad Hoc</i> Committee for Agenda and Intersessional Business	Geneva	July 26-

Scheduled August 1-October 31, 1954

3d Inter-American Indian Conference	La Paz	Aug. 2-
FAO Caribbean Agricultural Extension Development Center	Jamaica	Aug. 5-
Bogotá International Exposition	Bogotá	Aug. 6-
Inter-American Tropical Tuna Commission	San José	Aug. 11-
10th World's Poultry Congress	Edinburgh	Aug. 13-
UNESCO International Seminar on Adult Education in Rural Areas	Denmark	Aug. 14-
International Congress on Folklore	São Paulo	Aug. 16-
International Congress of Soil Science: 5th Congress	Léopoldville (Belgian Congo)	Aug. 16-
U.N. Committee on Information from Non-Self-Governing Territories: 5th Session	New York	Aug. 20-
8th Edinburgh Film Festival	Edinburgh	Aug. 22-
31st International Congress of Americanists	São Paulo	Aug. 23-
2d International Congress of Classical Studies	Copenhagen	Aug. 23-
International Scientific Radio Union: 11th General Assembly	Amsterdam	Aug. 23-
Congress of the Life-Saving Federation	Algiers	Aug. 24-
WMO Executive Committee: 5th Session	Geneva	Aug. 25-
Interparliamentary Union: 43d Conference	Vienna	Aug. 27-
UNESCO Regional Seminar on the Arts and Crafts in General Education and Community Life	Tokyo	Aug. 28-
U.N. World Conference on Population	Rome	Aug. 30-
International Mathematical Union: 2d General Assembly	The Hague	Aug. 31-
International Society of Cell Biology: 8th International Congress	Leiden	Sept. 1-

¹ Prepared in the Division of International Conferences July 23, 1954. Following is a list of abbreviations: U.N., United Nations; ICAO, International Civil Aviation Organization; WMO, World Meteorological Organization; UNESCO, United Nations Educational, Scientific and Cultural Organization; ITU, International Telecommunication Union; Ecosoc, Economic and Social Council; GATT, General Agreement on Tariffs and Trade; FAO, Food and Agriculture Organization; PASO, Pan American Sanitary Organization; WHO, World Health Organization; ILO, International Labor Organization.

Calendar of Meetings—Continued

Scheduled August 1–October 31, 1954—Continued

FAO Latin American Regional Meeting on Food and Agricultural Programs and Outlook.	Buenos Aires	Sept. 1–
International Electrotechnical Commission: 50th Anniversary Meeting.	Philadelphia	Sept. 1–
International Sugar Council: Executive Committee Meeting	London	Sept. 6–
ICAO Legal Committee: 10th Session	Montreal	Sept. 7–
International Sugar Council: Statistical Committee Meeting	London	Sept. 7–
International Sugar Council: 1st Meeting of Second Session	London	Sept. 8–
Iru International Radio Consultative Committee: Study Group IX.	Geneva	Sept. 10–
2d International Seminar on the Role of Museums in Education (UNESCO).	Athens	Sept. 12–
International Scientific Committee for Trypanosomiasis Research: 5th Meeting.	Pretoria (South Africa)	Sept. 13–
International Union of Geodesy and Geophysics: 10th General Assembly.	Rome	Sept. 14–
International Technical Committee for the Prevention and Extinguishing of Fire: Meeting of Permanent Council.	Rouen	Sept. 16–
International Federation for Documentation: 21st Conference	Belgrade	Sept. 19–
Consultative Committee on Economic Development in South and Southeast Asia ("Colombo Plan").	Ottawa	Sept. 20–
FAO Committee on Commodity Problems: 24th Session	Rome	Sept. 20–
U. N. General Assembly: 9th Session	New York	Sept. 21–
International Bank for Reconstruction and Development and International Monetary Fund: 9th Annual Meeting of Boards of Governors.	Washington	Sept. 24–
4th International Exposition of Cotton, Rayon, Textile Chemistry and Machinery.	Busto Arsizio (Italy)	Sept. 26–
FAO Council: 20th Session	Rome	Sept. 27–
ICAO Council: 23d Session	Montreal	Sept. 28–
International Committee on Weights and Measures	Sèvres	Sept. 28–
International Congress of Chronometry	Paris	Oct. 1–
International Philatelic and Postal Exhibition	New Delhi	Oct. 1–
FAO Working Party on Fertilizers: 4th Meeting	Tokyo	Oct. 4–
FAO Working Party on Rice Breeding: 5th Meeting	Tokyo	Oct. 4–
PASO Executive Committee: 23d Meeting	Santiago	Oct. 4–
International Council for the Exploration of the Sea: Annual Meeting.	Paris	Oct. 4–
Iru International Telephone Consultative Committee: XVII Plenary Assembly.	Geneva	Oct. 4–
ICAO North Atlantic Regional Air Navigation Meeting: 3d Session	Montreal	Oct. 5–
10th General Conference on Weights and Measures	Paris	Oct. 5–
14th Pan American Sanitary Conference and 6th Meeting of the Regional Committee of WHO.	Santiago	Oct. 7–
General Assembly of the International Commission of Criminal Police: 23d Session.	Rome	Oct. 9–
ILO Iron and Steel Committee: 5th Session	Geneva	Oct. 11–
South Pacific Commission: 13th Session	Nouméa (New Caledonia)	Oct. 11–
FAO International Rice Commission: 4th Session	Tokyo	Oct. 12–
General Agreement on Tariffs and Trade: 9th Session of Contracting Parties.	Geneva	Oct. 14–
PASO Executive Committee: 24th Meeting	Santiago	Oct. 23–
Inter-American Cultural Council: 2d Meeting	São Paulo	Oct. 25–
International North Pacific Fisheries Commission: 2d Meeting	Vancouver	Oct. 25–
ILO Metal Trades Committee: 5th Session	Geneva	Oct. 25–
International Wheat Council: 16th Session	London	October–

Results of London Talks on Disarmament

Following is the text of a statement made in the U.N. Disarmament Commission on July 20 by Morehead Patterson, U.S. representative to the Commission, together with the text of a report on the meetings held by the Subcommittee of the Disarmament Commission at London May 13-June 22.

STATEMENT BY MR. PATTERSON

U.S./U.N. press release 1941/A dated July 20

The objective of the Subcommittee meetings under the General Assembly resolution of last November¹ was "to seek in private an acceptable solution." As Ambassador Lodge pointed out to the Disarmament Commission in April,² "an acceptable solution" meant one that was acceptable to all five states members of the Subcommittee. If any one state failed to agree with the proposed solution, it was not an "acceptable solution."

The meetings in London did not result in the discovery of an "acceptable solution" of the problems of disarmament, and in this sense they were unsuccessful. Nevertheless, in our view they served several useful and constructive purposes.

First, the Western Powers reached general agreement on two elements of a comprehensive disarmament program which had never previously received extended treatment during disarmament discussions—first, the detailed picture of an international control organ, and second, the phasing and timing of the various elements of a disarmament program. These are necessary ingredients of any disarmament program.

Second, the talks served to give a clear indication of the present direction of Soviet thinking in the field of disarmament. (a) The Soviet Union took more rigid positions than ever before, making it completely clear, where formerly there might have been a doubt, that it will not permit a control organ to have power to take effective action in case of violation of a disarmament agreement. The all-important powers for dealing with violations would be vested in the Security Council subject to Soviet veto. (b) It also became com-

pletely clear, where formerly there might have been a doubt, that the Soviet Union would not permit a control organ to have the authority to deal vigorously with clandestine violations of a disarmament program. To use the precise example which appeared during the meetings, the control organ could not investigate a tractor factory suspected of producing munitions. (c) Also, the Soviets showed clearly that a practical and functioning control organ would not be established until long after the binding treaty of prohibition. In other words, the Soviet Union has made it clear that it will not permit adequate safeguards to insure the observance of a disarmament program.

Third, it appeared that the Soviet Union was less interested in negotiating on disarmament than in launching a large-scale propaganda campaign. For example, Mr. Moch³ had suggested that the Soviet demand for an unconditional prohibition of atomic weapons, if construed literally, would prevent the use of atomic weapons even in retaliation against atomic attack by another state. Mr. Malik⁴ replied that even if attacked with atomic weapons, the Soviet Union would not retaliate with atomic weapons.

This Soviet position is simply ridiculous. If the attack took place before the complete elimination of atomic weapons, it is more than anyone can expect that the country attacked would not defend itself and retaliate in kind. The Soviet representative in taking a position of this kind is not talking to the Subcommittee of the Disarmament Commission, he is not talking to the Disarmament Commission, he is not talking to the United Nations at all. He is moving into the field of propaganda slogans.

Just one more example of the same tendency. In the 19th meeting the Soviet representative after considerable discussion of the Soviet budget made this statement: "The Soviet Union budget does not allocate a single kopek to propaganda." This is not an important matter but the statement is obviously sheer nonsense and will be recognized as such by all thinking people.

With this brief introduction let us now proceed to summarize in rather broad terms the chief developments in these meetings in London and to

¹ BULLETIN of Dec. 14, 1953, p. 838.

² *Ibid.*, May 3, 1954, p. 689.

³ Jules Moch of France.

⁴ Jacob Malik, the Soviet representative.

attempt to indicate just where we stand today. We must emphasize, however, that in passing judgment on the meetings in London there is really no substitute for a study of the verbatim records. Even though these records are lengthy and involved, a careful study of them is rewarding since the discussions in London clarified better than ever before the issues which divide the Soviet Union and the free world. They show in clear, unmistakable fashion why, under existing policy of the Soviet Union, it is impossible to reach agreement on a genuine disarmament program.

Basic U.S. Policies

At the very outset of the meetings we reemphasized a number of fundamental ideas which the United States has voiced again and again. First, the United States does not want war. War, and especially 20th century war, brings with it the type of regimentation which destroys the very freedom of the individual which is America's trademark.

The instincts of our people in relation to war were shown in the rapid demobilization of our magnificent military forces at the end of the Second World War. Six million men returned to their homes in less than 10 months. Has there ever in history been a comparable mass migration toward peace? Has there ever before been such disarmament? If all other states had done the same we should have a different world today.

Second, never forget that the United States has pledged itself under the Charter of the United Nations not to commit aggression: i. e., not to start a war.

Third, the people of the United States and their Government want the maximum disarmament consistent with world security. The President of the United States has made this amply clear time and again. In his Inaugural Address he said:

... We stand ready to engage with any and all others in joint effort to remove the causes of mutual fear and distrust among nations, so as to make possible drastic reduction of armaments. The sole requisites for undertaking such effort are that—in their purpose—they be aimed logically and honestly toward secure peace for all; and that—in their result—they provide methods by which every participating nation will prove good faith in carrying out its pledge.

Fourth, we do not like the atomic bomb, the hydrogen bomb, or any other such weapons. We want to eliminate them and the threat of them. We have supported all the resolutions of the General Assembly which had the object of eliminating their use. We have solemnly pledged under the charter that we will not use any weapons except in defense against aggression, and this includes nuclear weapons. But we must insist, as did our President, that any program to eliminate these weapons be aimed logically and honestly toward securing peace for all; that it "provide methods

by which every participating nation will prove good faith in carrying out its pledge."

We recognize that atomic warfare today could result in the annihilation of both sides. Indeed, it could result in the destruction of civilization as we know it. We have pointed out that there is little profit or satisfaction in a duel in which both contestants are killed. But there is one thing that I consider worse than that—that is a duel where I am killed and the other fellow survives. But that is what I would deserve if I accepted toothless paper promises in the state of the world today.

Finally, we reiterated our willingness and readiness to explore any practical plan leading to a genuine program of safeguarded disarmament. The Soviet Union bitterly and repeatedly attacked the plan for control of atomic energy which in 1948 received the support of the majority of the United Nations.

The lesson of hindsight has clearly demonstrated that no one has been able to devise a better or an equally effective plan. If it had been adopted when it was proposed, atomic and hydrogen weapons would not be in existence anywhere in the world today. In the 8 years since 1946 the evergrowing stocks of fissionable material have complicated the problem of effective control, and this development must be taken into account. But the United Nations plan is still the most effective and practical plan yet devised.

As a newcomer to disarmament work, I listened with amazement to the Soviet statements of the alleged United States reasons for proposing this plan. To me they seemed sheer nonsense and as purposefully distorted as the usual reflections of the Moscow mirror. We think that that plan is a good plan. However, we did not take a rigid stand that that plan and only that plan should be the means to secure the prohibition of atomic weapons and the use of atomic energy only for peaceful purposes. I repeated on many occasions our willingness to examine in a constructive spirit any other proposals that will bring about effective prohibition.

It was in this spirit that we embarked upon our work in the subcommittee. We hoped for some indication of equal flexibility by the Soviet Union, but we were disappointed.

Substantive Western Proposals

(a) Mr. Moch's Procedural Suggestion

It seems appropriate to refer briefly to an extremely helpful suggestion made by our French colleague about the method of approach to subcommittee work. Mr. Moch suggested that all positions taken by all states should be taken "subject to reservations."

The significance of this excellent suggestion by Mr. Moch is clear. Under this procedure the United States introduced its control organ paper

and pointed out that the machinery suggested in this paper would apply equally to any substantive program for control of nuclear weapons and limitations and reduction of armed forces and non-atomic armaments. And yet it was clear that the United States did not thereby abandon its substantive views on control.

The four Western Powers during these entire discussions asked many precise questions dealing with various fundamental elements of a comprehensive disarmament program to see if there was any approach where some measure of agreement with the Soviet Union might narrow the differences which have separated us in the past. The Soviet Union, despite Mr. Moch's suggestion, took the position that there could be no progress in connection with any of the detailed questions until the Western Powers accepted the basic "Stalin" plan. The Soviet representative declined to confine his remarks to any specific group of problems but covered the entire field of disarmament in broad generalities in practically every intervention he made. This attitude made it difficult to have any genuine discussion of the precise proposals advanced.

(b) The United States Working Paper on the Control Organ

The Western Powers made two major substantive proposals during these meetings. First in point of time was the United States working paper on establishment of an international control organ with appropriate rights, powers, and functions. This paper was introduced in the Subcommittee of the Disarmament Commission on May 25 [Annex 4 of report]. It is true that the United Nations has had before it in the past a few suggestions concerning a control organ. This paper, however, goes into much greater detail than any previous suggestions.

The United States in presenting this paper stressed that it was not putting forward a rigid position with the thought that all other States "should either take it or leave it." We made it clear that we thought of this paper merely as one approach in an attempt to come to grips with basic issues of substance. From the discussions of specific problems raised, we hoped to narrow the differences among us and perhaps to arrive at a position which all of us could approve.

We also emphasized that one of the most important objectives of the control organ was "to see to it that if atomic weapons are prohibited, they remain prohibited forever." While the control organ would obviously infringe on the sovereignty of States accepting its control, we sought to reduce to a minimum all such interference through granting to the control organ only the minimum powers which are required to carry out its functions.

Furthermore, we pointed out that "the control organ as we have drawn it up here would be as

applicable to a program based upon the Soviet Union concepts as sketched over the past several years as it is to the United States program."

The working paper proposes the establishment of a United Nations disarmament and atomic energy development authority composed of the members of the Security Council, plus Canada. The objectives in establishing this authority are: (a) to provide international control of atomic energy so as to enforce compliance with the prohibition of atomic and hydrogen weapons and insure that nuclear materials are used for peaceful purposes; (b) to supervise programs for limitation and balanced reduction of armed forces and conventional armaments, and prohibition and elimination of major mass destruction weapons; (c) to supervise the various safeguards necessary to enforce a disarmament program, including disclosure and verification; and (d) to assure each participant that other States are observing the various agreements.

The control machinery would derive its rights and powers from the disarmament treaty after ratification by the various States in accordance with their respective constitutional processes. Among these rights and powers would be the right to function by majority rule; to determine the details of the time and the manner of enforcing the agreed reductions, limitations, and prohibitions within the limits of the disarmament treaty; to organize and conduct field inspections and aerial surveys, as well as prescribe and control required information within the framework of the treaty; and to station personnel permanently in the countries adhering to the agreement in order to insure continuous verification. If a violation should occur, the Authority could, among other actions, call upon the violator to remedy the situation; report the violation to the Security Council, to the General Assembly, and to all States in order to permit appropriate action; suspend the supply of nuclear materials to the offending State; and close plants utilizing nuclear materials in the offending State. Among the privileges and immunities accorded the Authority would be the right of its representatives to go into, within, and from the territory of participating States; the right to use communication facilities necessary to the discharge of its responsibilities; and inviolability of premises, property, and archives. Each participating State would designate and maintain a national agency to supervise the execution of its obligations and assist the Authority in its work.

Despite all our efforts, we were unsuccessful in getting the Soviet Union to come to grips with specific problems raised in the control organ paper. Mr. Malik again took the position that before going into the details of control machinery, we must agree to the basic "Stalin" plan. There was never during the subcommittee meetings any paragraph by paragraph discussion of the suggestions in the control organ paper. Mr. Malik, as a matter of fact, never got any further than the first

paragraph which referred to the General Assembly Resolution of January 11, 1952, which the U.S.S.R. had opposed.

In his answers to certain questions which Mr. Lloyd⁵ addressed to him, Mr. Malik in effect rejected the United States proposal.

Mr. Lloyd had asked, "Is it accepted that something akin to managerial control over atomic energy plants will be required to produce the continuing strict international control which is sought by all?" Mr. Malik rejected the concept of managerial control just as the Soviet Union had previously rejected the concept of international ownership of atomic energy plants. Mr. Lloyd had asked "what facilities the agents of the international control organ are to have for the detection of suspected breaches of the International Convention." Mr. Malik answered that Mr. Lloyd was proposing "international control" over the entire economic life of nations. During the ensuing discussion it became clear that Mr. Malik was confining "international control" to the Russian sense of "inspection" or "auditing." Specifically, Mr. Malik would not even permit inspection of tractor plants or glass plants, even though, as Mr. Moch forcefully pointed out, these plants might be producing munitions. Thus the Soviet Union, in effect, rejected all of the provisions of the control organ paper which would permit detection of clandestine activities contrary to the disarmament treaty. Most important, Mr. Lloyd asked Mr. Malik, "To what extent and by what means will the international control organ be empowered to enforce compliance with the Disarmament Convention?" Mr. Malik made it completely clear that the control organ would merely be permitted to "observe," to "make recommendations" to States, and to "report" to the Security Council. Any further action would have to be taken by the Security Council, where the Soviet Union would have its veto.

Thus the Soviet Union, while it refused a paragraph by paragraph discussion of the control organ paper, in effect rejected it in its entirety.

(c) *The British-French Memorandum of June 11*

On June 11 France and the United Kingdom submitted a memorandum on phasing and timing of the elements of a disarmament program [Annex 9 of report]. This was an extremely important paper dealing with a subject which had never previously received adequate treatment in the United Nations discussions. The primary purpose of the British and French memorandum was to show the relationship in time of the prohibition and reductions and the safeguards to insure their observance. It answered the question of when the prohibition of nuclear weapons would take

place. We shall not at this time go into this memorandum in detail. It has been fully explained to you by its authors, my colleagues from the United Kingdom and France. The United States gave its general support to the British-French memorandum, explaining that this support would not necessarily include an endorsement of every detail of the memorandum. But we felt that the memorandum represented a distinct advance in the direction of a workable disarmament program.

The Soviet Union, as my colleagues from the United Kingdom and France explained, completely rejected it, relying on glib propaganda slogans rather than on any genuine analysis of the paper. In fact, Mr. Malik never got beyond the first paragraph.

We shall not go further into this matter except to point out that the Soviet Union in rejecting the paper paid no attention to its most vital provisions, which are paragraphs 6 and 7.

In short, the Western Powers during these meetings continued the initiative which they had assumed in the past. They continued to try to get the Soviet Union to discuss a precise program of disarmament in the hope that such discussions would narrow the differences which have separated the Soviet Union and the free world. The Western Powers made two new approaches to this problem.

Let us now deal briefly with the Soviet proposals. They were three in number—May 13, June 1, and June 11. They were all the same but in different words. And none brought out anything new.

The Soviet Proposals

At the first meeting in London the Soviet representative submitted to the subcommittee as a "new proposal," to use his words, the identical draft resolution which the Soviet Union had presented to the General Assembly a year ago.⁶ This was again in effect the same line that all of you have heard in the General Assembly every year since 1946. I call it the "Stalin" plan. Mr. Malik said, "This proposal by the Soviet Union is not a new one. Nevertheless, up to now we have received no answer to it from the Western Powers." I agreed with Mr. Malik that the new Soviet Union proposal was not a new one and then I taxed the patience of the subcommittee by dealing with this and the other Soviet proposals in an hour-long statement on June 15. I feel sure that after this statement the Soviet Union will no longer claim that it has received no answer from the United States.

The Soviet proposal had four paragraphs. The

⁵ Selwyn Lloyd (United Kingdom).

⁶ Annex 1 of the report. For the text introduced in the Eighth General Assembly, see BULLETIN of Dec. 14, 1953, p. 834.

first called for an immediate unconditional United Nations decision to prohibit atomic weapons. International control including safeguards would be worked out and established later. The second paragraph called for the familiar one-third reduction of armed forces and nonatomic armaments. The third paragraph was an attack on Western bases aimed at collective self-defense. The fourth paragraph dealt with propaganda. Ambassador Lodge dealt with this paragraph on propaganda in the last General Assembly.⁷ As for the rest of the proposal, it is sufficient merely to note the three fundamental features of this Soviet approach which have invariably led to United Nations rejection of this type of proposal:

First, it does not go beyond vague generalities. Disarmament is a complicated and technical subject. The Soviet Union has invariably declined to enlarge on its generalities to make them sufficiently precise to have some meaning in this field.

Second, the proposal provides inadequate safeguards to insure that States would observe their agreements.

Third, the proposal calls for the abolition of some of the chief elements of strength which redress the strategic balance between the Soviet Union and the free world—nuclear weapons and our systems of collective defense with their bases. In effect, the proposal would disarm the West without disarming the Soviet Union. We shall not go any further into this Soviet proposal of May 14.

On June 1 there was introduced by the Soviet Union a further proposal in the form of a short draft resolution to be passed by the Disarmament Commission. I quote:

The Disarmament Commission deems it essential that, as an important step towards achieving complete elimination from the armaments of all States of atomic, hydrogen and other types of weapons of mass destruction, together with the simultaneous establishment of strict international control securing the observance of an agreement to prohibit the use of atomic energy for military purposes, the States concerned should assume a solemn and unconditional obligation not to employ atomic, hydrogen or other weapons of mass destruction.

The Soviet representative carefully explained that a resolution of this nature should be the first step toward a complete disarmament program. He emphasized that this was an entirely new Soviet approach. As the representative from the United Kingdom, Mr. Lloyd, pointed out some of the language was new. However, the records of past General Assemblies show clearly that there was nothing new about the substance of the proposal. In 1950 world communism made its greatest propaganda campaign since the Second World War in launching the Stockholm Appeal. Radio, mass meetings, petitions, parades—all known media of information—were used to support the Stockholm Appeal which, among other things, called for an unconditional declaration prohibiting

the use of atomic weapons and declaring the first government to use atomic weapons a war criminal. The Soviet Union introduced a resolution incorporating the Stockholm Appeal in the 1950 General Assembly—a resolution which was overwhelmingly rejected. Last fall, in the Eighth General Assembly, the Soviet Union submitted a similar proposal which was again rejected.⁸

It was therefore apparent that there was nothing new in substance about the Soviet proposal of June 1. However, this proposal had some interesting implications which we had not fully discussed in previous General Assemblies, and therefore we dealt with the proposal at considerable length. The United States made a number of points in the subcommittee which I shall summarize.

First, this Soviet suggestion would add nothing to the security of any State. The United States and all other member states have already solemnly pledged themselves in the United Nations Charter to "refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations." The United States and every other member state has thus pledged itself not to use any weapons, including, of course, nuclear weapons, except to resist aggression.

We pointed out that the Soviet Union has nothing to fear from the United States if the Soviet Union observes the solemn pledge it undertook when it signed the Charter of the United Nations. The President of the United States has stated that the United States will not use atomic weapons or any other weapons except in defense against aggression. So long as the Soviet Union is not a party to aggression the atomic bomb will not be used by the United States against the Soviet Union.

The Soviet Union boasts of its observance of international obligations. An article which appeared in *Izvestia* on May 26 contains the following statement:

The Soviet Union observes all its undertakings of the war and postwar periods strictly and absolutely. It is faithful to the letter and spirit of all those international documents which its representatives signed.

This is most gratifying!

The Soviet representative was careful to explain that the pledge contained in this draft resolution was merely to be the first step to lead to a comprehensive disarmament program. The fact is that during this first stage, and until we have a comprehensive disarmament program, we would have nothing more than the solemn pledges of the Great Powers not to use atomic weapons. We have these pledges already, subject to one, and only one, condition—that condition being the equally sacred pledge not to commit aggression.

⁷ *Ibid.*, p. 831.

⁸ U.N. doc. A/L. 167 dated Nov. 25, 1953.

Second, during this first stage of the Soviet program, there would be no safeguards. The nature of our democratic institutions and way of life would preclude any violation of our pledge even if we wanted to.

Unfortunately we have no such assurance with respect to the Soviet Union. While the Iron Curtain which, Mr. Malik told me, is a capitalistic myth has its cracks, the amount that can be observed through those cracks is small indeed. It would be entirely possible that preparations could be made to annihilate the West without our having any advance knowledge of its actions or its intentions.

Without going into the matter in detail here, it is sufficient to point out that the past record of the Soviet Union is such that we cannot sleep comfortably so long as our security is dependent upon any bare, naked, unsafeguarded pledge by the Soviet Union.

In point of fact, a declaration such as was proposed would actually jeopardize our security. In this connection I should like to quote a statement which was made in the subcommittee:

Such a partial, half-hearted solution of the atomic question would merely give a deceptive appearance of reducing the production of atomic weapons, and thereby would lull the vigilance of the peoples to the growing threat of a war accompanied by the use of means of mass annihilation of peoples. [DC/SC.1/PV.12, p. 11]

This was the statement of Mr. Malik himself explaining the Soviet rejection of the President's December 8 proposals for peaceful use of atomic energy.* Mr. Malik contended that these proposals would lull the vigilance of the peoples to the growing threat of atomic warfare.

The Soviet proposal would lull the vigilance of the peoples to the growing threat of a Communist war against the free world. It would be a snare and a trap to the good and trusting people of the world. In the existing state of the world the United States sees no value in a naked pledge totally without safeguards.

Third, during Mr. Malik's first stage, when the only disarmament agreement would be the solemn pledge not to use atomic weapons, all States would be in a position to stockpile these weapons to their hearts' content. The dangers of such a situation were well expressed in the subcommittee meetings. I quote:

States disposing of atomic materials and the appropriate industrial and technical facilities for producing atomic weapons would continue to produce them, without any restriction, on an ever-increasing scale and to stockpile atomic and hydrogen bombs of ever greater destructive force.

... the bulk of atomic materials will continue to be used in the production of more and more atomic and hydrogen bombs.

This was Mr. Malik's speech concerning Presi-

* BULLETIN of Dec. 21, 1953, p. 847.

dent Eisenhower's proposals of December 8, for an atomic pool.

At this point let me repeat parenthetically what I said on several occasions in the subcommittee. The President's proposals were not intended to provide disarmament. They were intended to facilitate cooperation, on a small scale at the outset, between the Soviet bloc and the West. The President believed that such cooperation might break the prevailing impasse and test the possibility of increasing cooperation and of lessening tension. The President's proposals were not within the scope of the work of the Disarmament Commission. As Mr. Malik himself pointed out, they were not disarmament proposals. As Mr. Malik has pointed out, they would be unsatisfactory as disarmament proposals because they do not prevent the continued stockpiling of fissionable war materials. This Soviet proposal is likewise unsatisfactory as a disarmament proposal because it does not prevent the stockpiling of fissionable war materials. However, the Soviet proposal, unlike the President's proposals, pretends to be what it is not—a disarmament proposal.

Finally, the Soviet proposal seeks to draw a sharp line between waging war with atomic weapons and waging it in any other way. From the Soviet standpoint it may be logical to draw such a distinction. Our information indicates that the West has the superior strength in atomic weapons. The Soviet bloc on the other hand has an overwhelming superiority in armies and nonatomic armaments. The Soviet Union, therefore, seeks to establish a code of rules which will confine the weapons to be used in warfare to those where the Soviet Union has superiority. It is the same old proposition inherent in every disarmament proposal made by them. The Soviet Union is willing graciously to disarm every one except the Soviet Union, give or take a satellite or two.

The Soviet Union made a final proposal on June 11 which also contained nothing new. [Annex 8 of the Report.] It merely attached to the other Soviet proposals—that is, their May 14 proposal and their June 1 proposal—their 1947 suggestions for an international control organ. These 1947 suggestions were repeated word for word with the one additional provision that the control organ "shall carry out such inspection on a continuing basis without the right to interfere in the domestic affairs of states"—whatever that means. In short, to sum up there was nothing new in the whole Soviet approach. It had all the ominous implications of all previous Soviet approaches. We summed up this Soviet approach in the following words:

Make a pledge without safeguards. Make promise without providing for policing these promises. Say that you want safeguards, that you want international control but evade any discussion of the practical methods of securing those controls. Propose plans that will disarm

the West without disarming the Soviet bloc. Shout for peace and at the same time arm to the teeth.

In less dramatic language this Soviet approach had three main features: (1) It substituted propaganda slogans for a precise program of comprehensive disarmament; (2) It totally avoided providing adequate safeguards to insure observance of Soviet pledges—it precluded any genuine lifting of the Iron Curtain; and (3) In effect, even if the Soviet pledges were observed, the program would disarm the West without disarming the Soviet Union.

This Soviet approach was older even than the Soviet Union. In fact, we can find it in the writings of Lenin as early as 1916 when he said:

Only after the proletariat has disarmed the bourgeoisie will it be able, without destroying its world historical mission, to throw all armaments on the scrap heap; the proletariat will undoubtedly do this, but only when this condition has been fulfilled, certainly not before.

The conclusion which we have reached from the subcommittee discussions is that in the existing world situation the Soviet Union has no serious desire to negotiate on the subject of disarmament. The United States is prepared to go ahead with any discussion or negotiations which give any promise whatever of progress toward the goal for which all of us must strive—world peace. But the U.S.S.R. responds to everything we say with its simple nostrum: "Ban the bomb; trust us Russians."

REPORT OF THE SUBCOMMITTEE

U.N. doc. DC/53 dated June 22

1. The Disarmament Commission at its 35th meeting on 19 April 1954, decided, pursuant to General Assembly resolution 715 (VIII), paragraph 6, to establish a Sub-Committee consisting of representatives of Canada, France, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland and the United States of America. The Commission's resolution recommended that the Sub-Committee should arrange its own meetings and method of work and present a report on the results of its work not later than 15 July 1954.

2. The Sub-Committee held its first meeting at United Nations Headquarters in New York on 23 April, considered administrative and procedural arrangements and agreed to continue its discussions in London on or about 13 May.

3. The Sub-Committee's discussions continued at Lancaster House in London at 19 meetings between 13 May and 22 June 1954.

4. During the course of the meetings, various proposals, draft resolutions, memoranda and working papers were submitted to the Sub-Committee as follows:

- DC/SC.1/1-14 May 1954—Draft resolution—submitted by the Union of Soviet Socialist Republics (See Annex 1)
- DC/SC.1/2-17 May 1954—Memorandum—submitted by the United Kingdom (See Annex 2)
- DC/SC.1/4-21 May 1954—Memorandum—submitted by the United Kingdom (See Annex 3)
- DC/SC.1/5-25 May 1954—Working paper on methods of implementing and enforcing disarmament programmes: The establishment of international control organs with appropriate rights, powers and functions—submitted by the United States (See Annex 4)
- DC/SC.1/6-26 May 1954—Memorandum—submitted by the United Kingdom (See Annex 5)
- DC/SC.1/7-1 June 1954—Draft resolution—submitted by the Union of Soviet Socialist Republics (See Annex 6)
- DC/SC.1/8-8 June 1954—Statement by the Government of the Union of Soviet Socialist Republics on the speech delivered by Mr. Eisenhower, President of the United States, on 8 December 1953—distributed by the Union of Soviet Socialist Republics (See Annex 7)
- DC/SC.1/9-11 June 1954—Proposal—submitted by the Union of Soviet Socialist Republics (See Annex 8)
- DC/SC.1/10-11 June 1954—Memorandum—submitted by France and the United Kingdom (See Annex 9)

5. The discussions during the meetings of the Sub-Committee are contained in the following records: DC/SC.1/SR.1, DC/SC.1/PV.2-14, and DC/SC.1/PV.17-20. Pursuant to the decision of the Sub-Committee, no records were kept of the fifteenth and sixteenth meetings. At the twentieth meeting of the Sub-Committee, it was decided that its records, which had heretofore been "Secret", should be circulated as unrestricted documents.

6. This report was approved by all members of the Sub-Committee on 22 June 1954 and is hereby submitted to the Disarmament Commission as the report of the Sub-Committee.

ANNEX 1

DC/SC.1/1
14 May 1954

[Translation]

Union of Soviet Socialist Republics: Draft Resolution

THE GENERAL ASSEMBLY,
Takes note that the cessation of hostilities in Korea is an important step towards the relaxation of tension in international relations and that more favourable conditions are thus being established for the taking of further measures to avert the threat of a new world war:

Observes at the same time that in a number of countries the armaments race is not only not ceasing but is continuing on a still greater scale, and that weapons of mass destruction, as evidenced by the latest results of the application of atomic energy to this purpose, are becoming more and more destructive and dangerous to many millions of persons;

And in order to diminish the threat of a new world war and to strengthen the peace and security of the nations,

(1) *Declares* the unconditional prohibition of atomic, hydrogen and other types of weapons of mass destruction, and directs the Security Council to take immediate measures to prepare and to carry into effect an international agreement guaranteeing the establishment of strict international control over the implementation of that prohibition;

(2) *Recommends* to the five permanent Members of the Security Council—that is to say, the United States, The Union of Soviet Socialist Republics, the United Kingdom, France and China—who bear the chief responsibility for the maintenance of international peace and security, to reduce their armed forces by one-third in the course of a year; and for the purpose of lightening the burden of military expenditure—

Recommends to the Security Council to convene as early as possible an international conference to effect the reduction of armaments by all States;

(3) *Recognises* that the establishment of military, air and naval bases on territory of other States increases the threat of a new world war and undermines the national sovereignty and independence of States, and—

Recommends the Security Council to take measures for the abolition of military bases on foreign territories, regarding this as the most important factor in guaranteeing lasting peace and international security;

(4) *Condemns* the propaganda carried on in certain countries for the purpose of inflaming enmity and hatred between nations and of preparing a new world war; and

Calls upon all States to adopt measures to put an end to that propaganda as incompatible with the fundamental purposes and principles of the United Nations.

ANNEX 2

DC/SC. 1/2
17 May 1954

United Kingdom: Memorandum

The Disarmament Sub-Committee should consider whether there is agreement on the answers to the following questions:

- (i) Is it agreed that the Convention we are seeking to draw up should include:
 - (a) the elimination and prohibition of atomic, hydrogen and other types of weapons of mass destruction;
 - (b) provision for a major reduction of armed forces and conventional weapons;
 - (c) provision for the establishment of an effective international control organ.
- (ii) Is it agreed that before the elimination and prohibition of atomic, hydrogen and other weapons of mass destruction and the reductions of armed forces and conventional weapons begin to come into effect, the international control organ must be created and its officials stationed in all countries concerned ready to supervise the prohibitions and the reductions agreed upon?

ANNEX 3

DC/SC. 1/4
21 May 1954

United Kingdom: Memorandum

The United Kingdom Delegation propose that the Disarmament Sub-Committee should consider what weapons and armed forces and other matters should be covered by a disarmament convention. It would be useful if the Sub-Committee could consider whether there is general agreement:

1. (i) that the disarmament convention should cover all types of weapons, all types of armed forces and military facilities of all kinds.
- (ii) that the weapons which should be covered should be divided into two groups:
 - (a) the weapons to be prohibited, and
 - (b) the weapons to be limited and reduced.
- (iii) that the weapons to be prohibited should include nuclear (i. e. atomic and hydrogen), chemical and biological weapons.
- (iv) That as regards weapons to be limited, the disarmament convention should provide for the substantial reduction of all arms, ammunition and implements especially designed or adapted for use in war. These should include items such as those in the following list:

all aircraft designed or adapted for aerial combat as well as equipment especially designed for and used solely by airborne troops;

warships of all kinds, landing craft and submersible or semi-submersible ships, craft, weapons or devices of any kind;

assault bridging, assault boats and storm boats and personal war equipment of a specialised nature;

armoured fighting vehicles, armoured trains;

guns, howitzers, mortars, aircraft cannon, breechless or recoilless guns and flamethrowers;

rocket projectors, launching and control mechanisms for self-propelling and guided missiles, all self-propelling and guided missiles, projectiles, rockets, etc.;

grenades, bombs, torpedoes, mines, depth charges and other military explosives; mechanical and self-propelled carriages for any of the weapons already mentioned, aiming and computing devices including predictors and plotting apparatus for fire control;

machine-guns, military automatic or auto-loading rifles and machine pistols;

all military rifles, carbines, revolvers and pistols.

- (v) The disarmament convention should also cover:
 - (a) the entire armed forces of at least all those powers possessing substantial armaments;
 - (b) not only armies, navies and air forces of the powers concerned but all para-military and security forces, and
 - (c) all persons who receive military training, military air training, or naval training, each of which should be defined in the convention.

2. The Disarmament Sub-Committee should also consider whether the disarmament convention might usefully contain provisions condemning all propaganda against peace and recommending the free exchange of information and ideas as one of the foundations of good neighbourly

relations between peoples. These provisions might be on the lines of the General Assembly resolution of 17 November 1950. This resolution condemned such propaganda including among other things incitement to conflicts or acts of aggression, measures tending to isolate the peoples from any part of the outside world by preventing the press, radio and other media of communication from reporting international events and thus hindering mutual comprehension and understanding between peoples.

3. The Disarmament Sub-Committee should also consider whether the disarmament convention should limit in any way the expenditure of the participating powers on military purposes. As the disarmament programme proceeds it may well be found that budgetary control provides one of the most effective safeguards. The Sub-Committee should also consider the suggestion that among the first steps towards world disarmament there should be a freeze or standstill agreement in regard to military expenditure which would bind the signatories not to increase in any way their expenditure for military purposes.

ANNEX 4

DC/SC. 1/5
25 May 1954

United States: Working Paper on Methods of Implementing and Enforcing Disarmament Programmes: The Establishment of International Control Organs with Appropriate Rights, Powers and Functions

Introduction:

1. The General Assembly resolution of 11 January 1952, directs the Disarmament Commission to formulate plans for the establishment within the framework of the Security Council of an international control organ (or organs) to ensure the implementation of the treaty (or treaties). Such major aspects of the disarmament programmes as disclosure and verification, limitation and balanced reduction of armed forces and armaments, and the control of atomic energy cannot be implemented until an international control organization with appropriate rights, powers and functions has been established.

2. The broad objectives in establishing control organs are: (i) to provide international control of atomic energy so as to enforce observance of prohibition and elimination of atomic and hydrogen weapons and to ensure use of nuclear materials for peaceful purposes, (ii) to supervise programmes for limitation and balanced reduction of armed forces and armaments, and prohibition and elimination of major mass destruction weapons; (iii) to supervise the various safeguards necessary for enforcement of the programme, including disclosure and verification, and (iv) to help develop an open world by assuring each participating State that other States are observing the various agreements and by providing knowledge upon which States can take rapid action to provide for their security in the event of serious violations of the disarmament agreement.

United States Suggestions:

3. The United States suggests the establishment of a United Nations Disarmament and Atomic Development Authority (hereafter referred to as the Authority).

4. Under the Authority there would be a Disarmament Division to carry out the responsibilities of the Authority with respect to the safeguards to ensure enforcement of the programme and the reduction and limitation of all armed forces and non-atomic armaments. (See Article 42)

5. Also under the Authority there would be an Atomic Development Division to carry out the responsibilities of the Authority with respect to the international development and control of atomic energy.

August 2, 1954

I. Organization and Composition:

6. The Authority should be composed in the same manner as the Disarmament Commission. While it is necessary to keep the Authority to a reasonably small size for the sake of overall efficiency, it may prove desirable also to include as members a limited number of additional States.

7. Any State not a member of the Authority would have an automatic right to participate, without vote, in Authority discussions of charges of violations by that State of provisions of the disarmament programme treaty. Any State not a member of the Authority would have the right to participate, without vote, in Authority discussions of any question brought before the Authority whenever the latter considers that the interests of that State are specially affected.

A. Disarmament Division

Director-General

8. The Disarmament Division would be under the supervision and control of a Director-General, who might be appointed for a fixed term, by the Authority.

9. While the Director-General would be subject to control by the Authority, he should be allowed sufficient discretion in carrying out the terms of the disarmament programme treaty and the instructions of the Authority to ensure effective operation of the Disarmament Division. The Director-General would be required to refer to the Authority charges of violations and other important developments but not routine day-to-day decisions concerning the operations of the Disarmament Division.

10. The Director-General would be assisted in the performance of his duties by Assistant Directors-General in charge of the principal departments of the Disarmament Division.

Secretariat

11. The Secretariat of the Disarmament Division would be organized into departments, each charged with responsibility for administering a principal function of the Division. The Secretariat would also furnish the personnel to perform the necessary staff functions for the Authority.

12. The Secretariat would furnish the staffs of the inspection groups in each country.

13. The Secretariat should be staffed with international civil servants appointed by the Director-General. The principles governing appointment and the international obligation of the persons appointed should be similar to those contained in the United Nations Charter.

Corps of Inspectors

14. The Disarmament Division would include among its personnel, but separate from the Secretariat, a Corps of Inspectors. The Corps would be composed of persons technically qualified for various types of inspections and nominated by the States that are signatories of the disarmament programme treaty.

15. Individuals would be selected by the Director-General from the Corps of Inspectors to form the necessary inspection groups, both resident and transient. The inspection groups would be responsible to the Director-General in their work, and would be given authority to take specified emergency action upon discovery of violations or infractions of the Treaty, such action to be subject to review by the Authority.

16. Each inspection group would include a national of each of the permanent members of the Authority except where the member itself is being inspected, plus nationals of other signatory States. In general the latter would be selected, subject to their possessing the requisite technical qualifications, on a basis of rotation.

17. Each State being inspected should appoint a liaison officer to accompany each inspection team.

18. In conducting individual inspections, each inspec-

tion group would be permitted to divide into such subgroups as might be necessary and to assign responsibilities to members of its staff in order to best complete the functions assigned to it.

B. Atomic Development Division

Board of Governors

19. The Atomic Development Division would be under the supervision and control of a Board of Governors.

20. Each permanent Member of the Authority would appoint a Member of the Board.

21. Not less than six nor more than eight additional Members of the Board would be appointed by the Authority.

22. Appointees would be expected to possess outstanding technical qualifications and would be appointed for a term of five years.

23. While the Board of Governors would be subject to control by the Authority, it should be allowed sufficient discretion in carrying out the terms of the disarmament programme treaty and the instructions of the Authority to ensure effective operation of the Atomic Development Division.

Staff

24. Operations of the Atomic Development Division would be carried out by an international Staff, the international character of which would be similar to that of the Secretariat of the Disarmament Division, except that, to the greatest extent consistent with the requirements of efficiency, inspection, accounting and control, positions in any country would be filled by nationals of that country.

25. The Staff would be headed by a Manager, appointed by the Board subject to the approval of the Authority. The Authority would have the power to remove the Manager at any time.

C. Finance

26. It would be desirable to consider the finances of the Authority and its subordinate agencies under three subdivisions: (i) the budget of the Disarmament Division, (ii) that part of the budget of the Atomic Development Division directly concerned with establishing and operating atomic facilities (cost of raw materials and plant construction, operational costs, etc.), and (iii) that part of the budget of the Atomic Development Division dealing with the necessary international coordination and with the administrative costs above the operational level as well as with research necessary to the discharge of its duties and ensuring security.

27. The cost of the budget of the Disarmament Division ((i) above) and that part of the budget of the Atomic Development Division covered in (iii) above would be borne by the participating States in accordance with a scale of contributions based upon principles of cost-sharing to be agreed upon.

28. The cost of establishing and operating the various atomic facilities (26 (ii) above) should be met by the benefiting nations and not by general assessments upon the States participating in the disarmament programme. In carrying out its prescribed functions, however, the international control agency should interfere as little as necessary with the economic plans and the private, corporate, and State relationships in the several countries.

29. The budget of each division would be prepared by the division and submitted to the Authority for final approval.

II. Rights, Powers and Functions of the Authority

30. The Authority would derive its rights and powers from the disarmament programme treaty. The General Assembly would take appropriate action, in anticipation of the signing of this treaty, to ensure the establishment and activation of the Authority immediately upon the coming into effect of the treaty and the progressive assumption of its functions as required.

31. The Authority would be empowered to supervise and control progressive and continuous disclosure and verification of all armed forces—including para-military, security and police forces—and all armaments including atomic.

32. Within the limits of the programmes and phasing as laid down in the disarmament treaty, the Authority would be empowered to determine the details of the time and the manner of the reduction of armed forces and armaments and to supervise such reduction insofar as such details are not fixed by the treaty. The disposition of existing stocks of nuclear fuel would be made by the Authority in accordance with the treaty on international control.

33. The Authority would be empowered to function in accordance with whatever plan may be agreed upon for the control of atomic energy to the extent necessary to ensure effective prohibition of nuclear weapons and use of nuclear materials for peaceful purposes only.

34. Except for the rule of procedure that decisions made by the Authority within its defined functions would require a determined majority, the Authority would have the right to adopt its own rules of procedure, including the method of selecting its President.

35. The Authority would be authorized to hold meetings at such places other than the seat of the Authority as in its judgment would best facilitate its work.

36. The Authority would be empowered to issue administrative regulations within its field of competence.

37. The Authority would carry out an agreed programme of safeguards to ensure the observance of the agreements for the regulation, limitation and balanced reduction of all armed forces and all armaments. This programme of safeguards would include provision for whatever programme of effective disclosure and verification of all armed forces and all armaments may be agreed upon. This function would include, among others, the following tasks:

a. Provide guidance and instructions, within the framework of the treaty, for the disclosure programme;

b. Control the receipt of and process the information from each State, and, within the framework of the disarmament programme treaty, prescribe the particulars of the information desired from the States;

c. Organize and conduct field inspections and aerial surveys to verify information on reported installations and to determine whether all installations and facilities have been disclosed;

d. Station personnel permanently in countries adhering to the programme for the purpose of ensuring continuous verification;

e. Prepare reports of disclosure and verification for the United Nations and for the signatory States;

f. In the event of a finding by the Authority of violations, obstructions, discrepancies, or pertinent omissions by a State, call upon such State to remedy forthwith the violation or other infraction; in the event of failure within a reasonable time of the offending state to comply fully, report the violation or other infraction to the Security Council, to the General Assembly, and to all States in order to permit appropriate action by the United Nations or by individual states in accordance with the treaty establishing the control organ;

g. Submit such special reports to the Security Council as may be requested by any seven members thereof;

h. Submit such special reports to the General Assembly as may be requested by that body;

i. Determine when each provision of the treaty relating to the timing of disclosure and verification and of reductions of armed forces and non-atomic armaments has been completed.

38. The powers of the Authority relating to disclosure and verification, of course, would not be limited to the initial disclosure and verification but would continue as permanent powers of the Authority.

a) The Authority would carry out the agreed programme for safeguards other than disclosure and verification;

b) The Authority should have positive research and developmental responsibilities in order to remain in the forefront of atomic knowledge so as to render the Authority more effective in promoting the beneficial uses of atomic energy and in eliminating its destructive ones.

39. Authorized personnel of the Secretariat of the Disarmament Division would have the right, in accordance with the terms of the disarmament treaty, to conduct on-the-spot inspections preparatory to and in aid of inspections by formal inspection teams.

40. The Atomic Development Division should have the responsibility to determine and report to the Authority any violations in connexion with the execution of the provisions of the treaty establishing the system for the control of atomic energy.

41. The Authority should be empowered to take action as appropriate short of the imposition of sanctions as provided in Chapter VII of the United Nations Charter, to remedy any violations or infractions in connexion with the enforcement of the provisions of the treaty establishing the system for the control of atomic energy. Such action would include:

a. Calling upon the offending state to remedy within a reasonable time the violations or other infraction;

b. Bringing about the suspension of the supply of nuclear materials to the offending state;

c. Closing of plants utilizing nuclear materials in the offending state;

d. Reporting to the Security Council, to the General Assembly and to all States the violation or other infraction in order to permit appropriate action by the United Nations or by individual states in accordance with the international convention establishing the control organ.

42. In connexion with the inspection of items critical to the system of safeguards for both atomic development and non-atomic armaments, in contrast to the items critical primarily to atomic development, the responsibilities of the Authority would in general be exercised by the Disarmament Division, subject to appropriate arrangements for co-ordination. The responsibilities of the Authority for such control as might be established over such items would, in general, also be exercised by the Disarmament Division.

43. Any jurisdictional questions arising between the Disarmament Division and the Atomic Development Division would be settled by the Authority.

III. Relation to other United Nations Organs.

The relations of the Authority to the several organs of the United Nations should be clearly established and defined by the treaty creating the authority.

To the Security Council.

44. The Authority would be required to submit such reports as might be requested by any seven members of the Security Council.

45. The Authority's findings in respect to violations, evasions, discrepancies or pertinent omissions should be referred, as appropriate with certification of facts, to the Security Council.

46. Findings would be accompanied by such recommendations as the Authority might deem appropriate. In this regard, provision would have to be made for specific steps to be taken by the Security Council and/or the General Assembly to bring about rectification of violations of the disarmament programme treaty.

To the General Assembly.

47. The Authority would transmit to the General Assembly periodic reports and any findings in respect to vio-

lations, evasions, discrepancies or pertinent omissions which are submitted to the Security Council.

48. The Authority would be required to submit such reports as might be requested by the General Assembly.

To the International Court of Justice.

49. The Authority would be authorized by the General Assembly to request of the International Court of Justice advisory opinions on legal questions arising within the scope of the Authority's activities. Proceedings before the Court, however, would not be permitted to delay the taking of measures necessary to maintain international peace and security.

To the United Nations Secretariat.

50. The Authority would use the services of the United Nations Secretariat to the extent mutually agreed upon.

51. Reports and other communications from the Authority to other organs of the United Nations would be transmitted through the Secretary-General.

IV. Relationship to Individual States.

52. The question of the relationship of the Authority to the participating States will require careful treaty definition particularly regarding the extent to which the privileges and immunities accorded to the Authority will exempt it and its personnel from the operation of national laws and the means by which individual rights and liberties of citizens of each State will be protected against possible infringement stemming from inspections. The grant of privileges and immunities to the Authority should be based on the principle of minimum interferences with the national laws of a State consistent with adequate and expeditious carrying out of the Authority's responsibilities and activities.

53. The privileges and immunities accorded the Authority should include:

a. The right of its accredited representatives to the privileges and facilities of ingress, egress and access into and from the territory of participating States including rights of transit for persons and equipment over, across and through such territory;

b. The right to use communication facilities to the extent adequate to the discharge of its responsibilities;

c. Such exemption from customs and immigration regulations as may be necessary to effective operations;

d. Inviolability of premises, property and archives.

54. Any findings in respect to violations, evasions, discrepancies or pertinent omissions which are submitted to the Security Council and to the General Assembly would be transmitted also to the participating States.

55. Provision must be made in a treaty to permit individual states to take necessary steps to protect themselves in conformity with the provisions of the United Nations Charter in the event of serious violations determined by the Authority and not remedied within a reasonable time. Such provision would include the right of any State under such circumstances to terminate its obligations under the treaty, to take steps for individual and collective self-defence under Article 51 of the Charter, and to take such other action as might be decided or recommended by the United Nations Security Council or by the United Nations General Assembly.

56. The Authority would be empowered to negotiate with each participating State such administrative agreements as may be desirable to facilitate the operation of the disarmament programme.

57. Each participating State would designate and maintain a national agency to supervise the execution of its obligations and to assist the Authority in its work.

ANNEX 5

DC/SC. 1/6
26 May 1954

United Kingdom: Memorandum

Questions on the Union of Soviet Socialist Republics proposals for a control organization tabled in 1947

In order to meet the wishes of the Sub-Committee the five questions which were put by the United Kingdom delegation to the Union of Soviet Socialist Republics delegation at the eighth meeting of the Sub-Committee on 25 May are set out below in a more concise form.

1. To what extent and by what means will the international control organ be empowered to enforce compliance with the Disarmament Convention?
2. Is it accepted that something akin to managerial control over atomic energy plants will be required in order to produce the continuing strict international control which is sought by all?
3. What facilities are the agents of the international control organ to have for the detection of suspected breaches of the convention?
4. Is it agreed that the agents of the control organ should have the right to enquire into and examine all scientific research in the field of the peaceful uses of atomic energy, etc.?
5. What powers are to be given to the control organ to verify the initial disclosure of information on atomic energy plants etc. to ensure that it is complete and accurate?

[For text of Annex 6, see Mr. Patterson's statement, p. 175. For text of Annex 7, see BULLETIN of Jan. 18, 1954, p. 80.]

ANNEX 8

DC/SC. 1/9
11 June 1954

[Translation]

Union of Soviet Socialist Republics: Proposal

I. The Government of the Soviet Union submits for consideration by the Sub-Committee of the United Nations Disarmament Commission the "Basic provisions of a draft international convention for the prohibition of atomic, hydrogen and other weapons of mass destruction, for a substantial reduction in armaments and armed forces, and for the establishment of international control over the observance of the convention".

In so doing the Government of the Soviet Union presumes that, as a first important step towards the complete elimination from the armaments of States of atomic, hydrogen and other types of weapons of mass destruction, together with the simultaneous establishment of strict international control to secure the observance of the agreement to prohibit the use of atomic energy for military purposes, the States concerned will assume a solemn and unconditional obligation not to use atomic, hydrogen or other weapons of mass destruction, as is contemplated in the proposal submitted to the Sub-Committee by the Soviet Union representative on 1 June.

II. An international convention for the prohibition of atomic, hydrogen and other weapons of mass destruction, for effecting a substantial reduction in armaments and armed forces, and for the simultaneous establishment of international control over the observance of the convention should contain the following basic provisions:

1. Unconditional prohibition of the use, production and conservation of atomic, hydrogen and other types of weapons of mass destruction.

2. Reduction by each State party to the convention, and primarily by the United States, the United Kingdom, France, the People's Republic of China and the Soviet Union, of all armaments and all land, naval and air forces by one-third, to be effected during the year following the entry into force of the convention.

Obligation of States parties to the convention to reduce their military expenditure within one year by not less than one-third of the 1953-54 level of expenditure.

Obligation of States parties to the convention not to maintain military, air or naval bases on the territories of other States and to liquidate any such existing bases within one year.

3. Establishment of effective international control over observance by all States of the provisions of the convention prohibiting weapons of mass destruction and requiring reduction of armaments and armed forces. International control shall be established as follows:

(a) International control shall be established over all undertakings engaged in extraction of atomic raw materials and production of atomic materials and atomic energy, and over conventional armaments.

(b) An international control organ shall be set up under the Security Council to carry out measures of control over atomic undertakings and over conventional armaments.

The staff of the organ shall be selected on an international basis.

(c) The international control organ shall also inspect undertakings extracting atomic crudes and producing atomic materials and atomic energy; it shall carry out such inspection on a continuing basis without the right to interfere in the domestic affairs of States. It shall supervise the observance by all States of their obligation to reduce conventional armaments and armed forces.

(d) The international control organ, in the performance of its functions, shall supervise the work of undertakings extracting, processing and utilizing atomic materials and atomic energy; it shall call for, and shall verify when submitted by States, information on armaments and armed forces; it shall make recommendations to Governments and to the Security Council on matters relating to the production, conservation and utilization of atomic materials and atomic energy, and to the reduction of the armaments and armed forces of States.

4. All States parties to the convention shall undertake to prohibit propaganda designed to inflame enmity and hatred among nations or to prepare for a new world war.

5. The Convention shall enter into force on its ratification by the five Permanent Members of the Security Council of the United Nations.

ANNEX 9

DC/SC. 1/10
11 June 1954

France and United Kingdom: Memorandum

The French and United Kingdom delegations submit the following proposals as a possible basis for compromise:

1. The States members of the Sub-Committee regard themselves as prohibited in accordance with the terms of the Charter of the United Nations from the use of nuclear weapons except in defence against aggression. They recommend that the Disarmament Treaty should include an immediate and explicit acceptance of this prohibition

by all signatory States, pending the total prohibition and elimination of nuclear weapons as proposed in the subsequent paragraphs of this memorandum. They further recommend that the obligations assumed by the Members of the United Nations to refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State should be accepted by all signatory States not members of the United Nations.

2. The draft disarmament treaty prepared by the Disarmament Commission and submitted by it to the Security Council, to the General Assembly and to the World Disarmament Conference should include provisions covering the following:

(a) The total prohibition of the use and manufacture of nuclear weapons and weapons of mass destruction of every type, together with the conversion of existing stocks of nuclear weapons for peaceful purposes.

(b) Major reductions in all armed forces and conventional armaments.

(c) The establishment of a control organ with rights and powers and functions adequate to guarantee the effective observance of the agreed prohibitions and reductions.

3. After the approval of the draft treaty by the World Disarmament Conference this instrument would be open to signature and adherence by all States. The treaty would enter into force immediately it had been ratified by those of the signatories who would be specified in the treaty.

4. The treaty should provide that the disarmament programme should be carried out as described below.

5. After the constitution and positioning of the Control Organ, which shall be carried out within a specified time, and as soon as the Control Organ reports that it is able effectively to enforce them, the following measures shall enter into effect:

(a) Overall military manpower shall be limited to 31 December 1953 levels.

(b) Overall military expenditures, both atomic and non-atomic, shall be limited to amounts spent in the year ending 31 December 1953.

6. As soon as the Control Organ reports that it is able effectively to enforce them, the following measures shall enter into effect:

(a) One-half of the agreed reductions of conventional armaments and armed forces shall take effect.

(b) On completion of (a) the manufacture of all kinds of nuclear weapons and all other prohibited weapons shall cease.

7. As soon as the Control Organ reports that it is able effectively to enforce them, the following measures shall enter into effect:

(a) The second half of the agreed reductions of conventional armaments and armed forces shall take effect;

(b) On completion of (a):

(i) The total prohibition and elimination of nuclear weapons and the conversion of existing stocks of nuclear materials for peaceful purposes shall be carried out;

(ii) The total prohibition and elimination of all other prohibited weapons shall be carried out.

8. It is to be hoped that when all the measures enumerated above have been carried out the armaments and armed forces of the powers will be further reduced to the levels strictly necessary for the maintenance of internal

security and the fulfillment of the obligations of signatory States under the terms of the United Nations Charter.

9. The Control Organ shall remain in being to ensure that the reductions, prohibitions and eliminations are faithfully and permanently observed.

THE CONGRESS

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Suspension of Duties and Import Taxes on Metal Scrap. Report to accompany H. R. 8155. H. Rept. 2026, July 2, 1954. 4 pp.

Safety on the Great Lakes by Means of Radio. Report to accompany S. 3464. S. Rept. 1747, July 7, 1954. 6 pp.

Report on the Inclusion of Escape Clauses in Existing Trade Agreements. Message from the President Transmitting a Report on the Inclusion of Escape Clauses in Existing Trade Agreements, Pursuant to Subsection (B) of Section 6 of the Trade Agreements Extension Act of 1951 (65 Stat. 72, 73). H. Doc. 470, July 8, 1954. 1 p.

Extending Certain Civilian-Internee and Prisoner-of-War Benefits under the War Claims Act of 1948, as Amended, to Civilian Internees and American Prisoners of War Captured and Held during the Hostilities in Korea. Report to accompany H. R. 9390. H. Rept. 2180, July 12, 1954. 10 pp.

Amending the Atomic Energy Act of 1946, as Amended, and for Other Purposes. Report to accompany H. R. 9757. H. Rept. 2181, July 12, 1954. 138 pp.

Estimates of Appropriation To Carry Out the Purposes of the Mutual Security Act of 1954. Communication from the President Transmitting Estimates of Appropriation for the Fiscal Year 1955, in the Amount of \$3,438,549,805, To Carry Out the Purposes of the Mutual Security Act of 1954. H. Doc. 474, July 13, 1954. 7 pp.

Maintaining Crude Silicon Carbide on Free List. Report to accompany H. R. 8628. H. Rept. 2209, July 13, 1954. 3 pp.

Temporary Importation of Racing Vehicles and Craft. Report to accompany H. R. 9248. H. Rept. 2210, July 13, 1954. 2 pp.

Reiterating the Opposition of the House of Representatives to the Seating of the Communist Regime in China in the United Nations. Report to accompany H. Res. 627. H. Rept. 2213, July 13, 1954. 6 pp.

Control of Incipient or Emergency Outbreaks of Insect Pests or Plant Diseases. Report to accompany S. 3697. H. Rept. 2251, July 15, 1954. 3 pp.

Granting the Status of Permanent Residence to Certain Aliens. Report to accompany H. Con. Res. 254. H. Rept. 2259, July 15, 1954. 1 p.

Tariff Reclassification of Dictophones. Report to accompany H. R. 8932. H. Rept. 2264, July 15, 1954. 3 pp.

Supplemental Appropriation Bill, 1955. Report to accompany H. R. 9936. H. Rept. 2266, July 16, 1954. 51 pp.

TREATY INFORMATION

Signing of Tax Convention With Federal Republic of Germany

Press release 396 dated July 22

On July 22, Secretary Dulles and Albrecht von Kessel, Minister, Chargé d'Affaires ad interim of the Federal Republic of Germany, signed a convention between the United States and the Federal Republic of Germany for the avoidance of double taxation with respect to income.

The provisions of the convention follow, in general, the pattern of income-tax conventions entered into by the United States with a number of other countries. It is designed to remove an undesirable impediment to international trade and economic development by doing away as far as possible with double taxation on the same income.

As to the United States, the convention applies only to Federal taxes, except for the standard national-treatment provision. The provisions establishing rules for avoidance of double taxation and for administrative cooperation do not apply to imposition of taxes by the States, the District of Columbia, or the territories or possessions of the United States. As to the Federal Republic, the convention applies to the income tax, the corporation tax, and the Berlin emergency contribution (*Notopfer*).

Under the terms of the convention, it will be brought into force by the exchange of instruments of ratification and will be effective for taxable years beginning on or after January 1 of the year in which such exchange takes place.

On the occasion of the signing of the convention notes were exchanged confirming an understanding that, pending the entry into force of the convention, U.S. air line companies operating in the Federal Republic of Germany will be accorded exemption from the German corporation income tax and certain other taxes.

Amendments to Air Agreement With Spain

Press release 395 dated July 21

The Department of State announced on July 21 the signing in Washington, D. C., by Don Jose

Department of State Bulletin

Félix de Lequerica, Ambassador of Spain to the United States, and Samuel C. Waugh, Assistant Secretary of State, of an exchange of notes amending the Air Transport Agreement of 1944 between the United States and Spain. The principal feature of the amendment was to authorize a route for a Spanish carrier to operate to New York. At the same time adjustments were made in the presently authorized Spanish route to San Juan while a route to Miami which was never operated was eliminated. The amendment followed recommendations made on July 14 by U.S. and Spanish delegations who had studied the matter over the past months.¹ The delegations had as their chairmen Oswald Ryan, member of the U.S. Civil Aeronautics Board, and Don Jaime de Piniés, Secretary of the Spanish Embassy in Washington.

Text of U.S. Note²

JULY 21, 1954

EXCELLENCY: I have the honor to refer to the civil aviation consultation which has taken place in Washington in May, June and July 1954 pursuant to Article IX of the Air Transport Services Agreement of December 2, 1944 as amended, between the United States of America and Spain. This consultation was concluded on July 14, 1954 with the Delegations of the United States and Spain having recommended to their respective Governments a revision of Article I (a) 2 of the Agreement of December 2, 1944, as amended, to be made effective by an exchange of diplomatic notes which should become an integral part of the aforementioned Agreement.

The Government of the United States is in accord with the recommendation of the Delegations and therefore agrees to the amendment of Article I (a) 2 of the Air Transport Services Agreement to read as follows:

2. Spanish air carriers will be permitted to operate and pick up and discharge passengers, cargo and mail in international traffic at the following points within the territory under the jurisdiction of the United States of America, in operations over the following routes:

Route 1

A route from Spain to New York via Lisbon and the Azores in both directions.

Route 2

A route from Spain to San Juan, Puerto Rico, via Lisbon, the Azores and Bermuda, and Caracas in both directions and from San Juan to points beyond in the Caribbean area and the West Coast of South America in both directions.

In addition, the aircraft of the air transport enterprise of Spain which are engaged in international air services will have the right to overfly the territory of the United States as well as to make non-traffic stops at airports open to international traffic

in the territory of the United States. The foregoing shall not restrict the right of the United States, for reasons of military necessity or public safety, to prohibit or otherwise restrict the aircraft of Spain from flying over certain areas in its territory, subject to the applicable provisions of Article VII below.

The United States Government agrees that the foregoing revision shall be embodied as an integral part of the Air Transport Services Agreement signed in Madrid December 2, 1944, as amended.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

SAMUEL C. WAUGH

Renegotiation of Tariff Concession Requested by India

Press release 402 dated July 24

The Government of India, in the light of exceptional circumstances, has requested renegotiation of a tariff concession on ball bearings and adapter bearings made by India in the General Agreement on Tariffs and Trade in 1949. The contracting parties to that agreement, including the United States, have agreed to this renegotiation, in accordance with the understanding reached by the contracting parties at their Eighth Session that they would give sympathetic consideration to such requests.

India's purpose, in requesting the renegotiation, is to secure a modification in the concession which it has granted in the rate of duty on the following item:

Indian Customs

Tariff No.

Description of Product

Ex. 72 (3)

Ball and roller bearings for use with shafting of more than two inch diameter and adapter bearings which are specially designed for use exclusively with power-driven machinery.

The agreement rate of duty on this item is 10 percent ad valorem. In the course of the renegotiation, the United States and other countries may request compensation, in the form of other concessions by India, in return for their agreement to the modification of any of the listed Indian concessions. The possible compensatory concessions may include new concessions on products not now in the schedule of concessions by India, or additional concessions on products already in such schedule. Should modifications in the schedule of Indian tariff concessions be agreed upon during the renegotiations they would have to receive final approval of all the contracting parties to the general agreement.

Interested persons may submit any views with regard to this item to the Committee for Reciprocity Information, which is the interdepartmental committee established to receive views on

¹ BULLETIN of July 26, 1954, p. 149.

² A similar note was addressed by the Ambassador of Spain to the Secretary of State.

trade agreement matters. In addition to views on this item, views are also invited regarding any Indian items on which new or additional concessions might be requested as compensation for any agreed modification.

It is requested that any such views be submitted by the close of business August 16, 1954. All communications on these matters, in 11 copies, should be addressed to The Secretary of the Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D. C.

Current Actions

MULTILATERAL

Aviation

International air services transit agreement. Signed at Chicago December 7, 1944. Entered into force for the United States February 8, 1945. 59 Stat. 1693; EAS 487.

Acceptance deposited: Israel, June 16, 1954.

Germany-Allied High Commission

Agreement concerning storage of, access to, and release of information from the archives of the Allied High Commission and connected tripartite agencies, and exchanges of notes relating to the Bipartite Coal Control Group. Signed at Bonn June 30, 1954 by France, the United Kingdom, and the United States. Entered into force June 30, 1954.

North Atlantic Treaty

Protocol on status of international military headquarters. Signed at Paris August 28, 1952. Entered into force April 10, 1954. TIAS 2978.

Ratification deposited: Netherlands, June 22, 1954.

Slave Trade

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953.¹

Signature: Cuba, June 28, 1954.

Telecommunications

International telecommunication convention with annexes, final protocol, and radio regulations. Signed at Atlantic City October 2, 1947. Entered into force January 1, 1949. And additional protocols. TIAS 1901.

Ratification deposited: Panama, June 8, 1954.

International telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954.¹

Ratifications deposited: Israel, June 10, 1954; Italy, June 10, 1954; Monaco, June 10, 1954; Canada, June 23, 1954.

Final protocol to international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954.¹

Ratification deposited: Italy, June 10, 1954.

Additional protocols to the international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force December 22, 1952.¹

Ratification deposited: Italy, June 10, 1954.

¹ Not in force for the United States.

BILATERAL

Canada

Agreement relating to the operation of the Pacific Ocean weather station program. Effected by exchange of notes at Ottawa June 4 and 28, 1954. Entered into force June 28, 1954.

Chile

Agreement for a cooperative housing program in Chile. Signed at Santiago June 28, 1954. Entered into force June 28, 1954.

Ecuador

Agreement for cooperative program of industrial service in Ecuador. Signed at Quito June 30, 1954. Entered into force June 30, 1954.

Greece

Agreement amending Article 11 of the Education Agreement of April 23, 1948 (TIAS 1751). Effected by exchange of notes at Athens June 28, 1954. Entered into force June 28, 1954.

Israel

Agreement amending the general agreement for technical cooperation of February 26, 1951 (TIAS 2401). Effected by exchange of notes at Tel Aviv June 21, 1954. Entered into force June 21, 1954.

Agreement amending the agreement for a program of technical cooperation of May 9, 1952 (TIAS 2570), as amended (TIAS 2697 and 2788). Effected by exchange of notes at Tel Aviv June 21, 1954. Entered into force June 21, 1954.

Agreement amending the agreement for a program of technical cooperation of May 9, 1952 (TIAS 2570), as amended. Effected by exchange of notes at Tel Aviv June 29, 1954. Entered into force June 29, 1954.

Mexico

Agreement for establishment in Mexico of a training school for operators and mechanics of construction, agricultural, and transportation equipment, pursuant to general agreement for technical cooperation dated June 27, 1951 (TIAS 2273). Effected by exchange of notes at Mexico April 6, 1954. Entered into force April 6, 1954.

Nicaragua

Agreement amending the agreement for a cooperative program of agriculture in Nicaragua of June 30, 1953 (TIAS 2857), and providing financial contributions for the program. Signed at Managua June 23, 1954. Entered into force June 23, 1954.

Pakistan

Agreement amending the 1954 supplementary program agreement for technical cooperation of December 28, 1953 (TIAS 2889). Signed at Karachi June 24, 1954. Entered into force June 24, 1954.

Peru

Agreement extending Army Mission Agreement dated June 20, 1949 (TIAS 1937). Effected by an exchange of notes at Washington March 18 and April 20, 1954. Entered into force April 20, 1954.

Turkey

Agreement relating to the loan of two United States submarines to Turkey. Effected by exchange of notes at Ankara February 16 and July 1, 1954. Entered into force July 1, 1954.

Agreement relating to relief from Turkish taxation on expenditures made by or on behalf of the United States for common defense. Signed at Ankara June 23, 1954. Entered into force June 23, 1954.

Agreement relative to the implementation of the Agreement Between the Parties to the North Atlantic Treaty Regarding the Status of Their Forces of June 19, 1951 (TIAS 2846). Signed at Ankara June 23, 1954. Entered into force June 23, 1954.

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Releases may be obtained from the News Division,
Department of State, Washington 25, D. C.

No.	Date	Subject
391	7/19	Mendès-France message
392	7/20	Morton: Building an enduring peace
†393	7/20	Morton: Agriculture and foreign policy
394	7/21	Smith: Statement on Geneva Conference
395	7/21	Exchange of notes with Spain
396	7/22	Tax convention with Germany
397	7/22	Flood relief for Austria
†398	7/22	U.S.-Libyan negotiations
†399	7/23	Holland: Puerto Rican anniversary
400	7/23	Dulles: Geneva Conference
*401	7/23	Mlle. de Galard-Terraube's visit
402	7/24	Indian tariff concession
*403	7/24	Program of Syngman Rhee visit
404	7/24	Dulles: Plane incident

*Not printed.

†Held for a later issue of the BULLETIN.



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The Department of State

bulletin

Vol. XXXI, No. 789

August 9, 1954



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The Department of State bulletin

VOL. XXXI, No. 789 • PUBLICATION 5563

August 9, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and Foreign Service. The BULLETIN includes selected press releases, foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been
approved by the Director of the Bureau of
the Budget (January 22, 1952).

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appreciated.

America's Primary Interests in Asia

by Under Secretary Smith¹

Following are remarks by Under Secretary Smith in reply to questions put to him by John Lightower of the Associated Press and Bill Cosello of the Columbia Broadcasting System on the CBS television program, "Crossroads Asia," on August 1.

Q: How would you describe America's primary interests in that part of the world today?

A: I should think the best way to illustrate America's interest in Asia is to remind you, and the audience, of some of our major actions in Asia in the past. They have been great ones.

You remember that we used our influence to prevent China from being carved up by the Great Powers half a century ago.

The war we fought a decade ago was fought in part to prevent the subjugation of China by Imperial Japan.

Our grant of independence to the Philippines, one in 1946 in accordance with a promise made some years ago, has produced one of the most loyal, faithful, and devoted allies that we have.

The exertion of our influence in favor of the independence of other Southeast Asian countries.

The war we fought to prevent the conquest of the Republic of Korea by Communist imperialism.

The support we gave to Laos, Cambodia, and Viet-Nam, and the French Union, that prevented the Communists from overrunning all of Indochina at least.

Now, in all of these actions, you see, the United States has been acting in behalf of the independence of Asian countries. What we'd like to see in Asia is a community of free and self-supporting states. That is where our interest is.

The reasons are: first, because we cherish certain values; we believe in freedom, for example. Second, we wish to be able to exchange goods and ideas freely in Asia. And, third, our own security

would be jeopardized if Southeast Asia were brought under hostile imperialism.

I think the answer is there.

Q: General, in your opinion, which is the greater problem in Asia today—nationalism or communism?

A: Well, if you mean by "nationalism" what I mean, I would like to answer the question this way:

Communism is a movement to bring all of the people in the world under one all-powerful central authority, and I define nationalism as the passionate desire of people to live their own lives in their own way. The two are incompatible, it seems to me.

As to which is the greater problem, the answer is that communism is the greatest problem confronting the nationalists today; and nationalism is the greatest problem confronting the Communists. And I well recall that a correspondent friend of mine interviewing Mr. Ho Chi Minh, when he returned to Southeast Asia, asked him laughingly, "Mr. Ho, are you still a Communist?" He said, "I don't have to be a Communist. I can now be a nationalist." He meant by that, by posing as the champion of a nationalist movement the Communists can sometimes gain important advantages, as they did in China and in Viet-Nam; but in the end, the nationalism of subject people will, I believe, break the Communist empire into fragments.

Now, I don't say that's going to happen within our lifetime, but the stress and strain is there. Nationalism, and by that I mean the pride of a people in its heritage, its determination to be independent, is one of the greatest assets on the side of the free world.

Collective Defense

Q: Well, now, sir, very much work has been done recently in organizing a Southeast Asian collective defense. How would that contribute toward stopping communism in Asia?

¹ Press release 417 dated July 31.

A: You have to draw the line somewhere, as you know. Otherwise, we will be eroded, bit by bit. The demonstrated peril of communism in the general area of Southeast Asia is not only its open aggression, but it's even more, I think, the covert subversion. Both of these threats cannot be successfully defeated except by the determined unity of action in the free governments and the people who wish to preserve their sovereignty. They have got to fight for their independence and for their national institutions, and the coordination of effort and increased strength, the security and confidence which we can achieve through collective action will add a great deal to the sum total of what each nation would be willing and able to do by itself. That's the great advantage of this collective action.

Q: *General, what countries do you think should belong to a Southeast Asian treaty organization?*

A: Well, personally, I feel that every free country of the area which is interested in its own self-preservation should at least be willing to explore the advantages inherent in the concept of collective security.

Now, we recognize there are certain limiting factors relative to the actual participation in such an arrangement by some of the countries in Southeast Asia. There is the matter of geography, a willingness to participate, the acceptability to other participants.

You know that a number of countries have already indicated their willingness to meet together to discuss how best to protect their individual and common liberties through a regional arrangement. I'd rather not speculate as to which free countries will actually be members, but I must say that we view the question of membership as a rather open matter, and we assume that the original participants will always be prepared to consider additional memberships.

Q: *You refer to drawing a line, sir. Could you say where, in the opinion of Washington, the line should be drawn against communism?*

A: Before we get too deeply into the subject, I think I ought to point out that we have had a number of preliminary consultations with interested governments. It's not settled what form the proposed organization will take. I don't want, therefore, to talk about the actual details, such as the details of membership, the methods of implementation, councils, whatever they may be, charters and the like, something that hasn't yet been brought into being—these will all have to be worked out by the participating nations, but we are making excellent progress.

Q: *Could you say, on one point of such an organization, what kind of commitment should be made by the countries joining the alliance? By that I mean, should they pledge themselves to fight auto-*

matically, for example, if the Communists crossed whatever line was drawn?

A: No, I think the answer to that question can only be made after the interested parties have worked out provisions which will be individually and collectively acceptable to them, within their capabilities, and in accordance with their constitutional practices. But this, I would like to say, is my own opinion.

We have now set up, as a result of the Geneva agreement, a group of small, almost defenseless states, and of course if one can assume good faith on the part of the Communists, which I always question, they will be secure. I think, however, that their existence must in some way be guaranteed. That does not essentially mean that their borders are lines which would be defended, but it might well be said that if, by aggression, either overt or covert, those frontiers are crossed, that is evidence of the ill faith on the part of the Communists and may be a threat to our collective security. Other things might then automatically happen, if you understand what I mean.

Danger of Subversion

Q: *Well, now, General, stopping military aggression is only one part of the problem of halting communism in Southeast Asia or elsewhere. The other part is the danger of subversion or internal aggression. Now, how could the United States and its Allies block that kind of aggression?*

A: Well, that's the most difficult of our problems and of course you saw a perfect example of it in Viet-Nam. Communist subversion takes advantage of, let us say, ignorance, gullibility, or more important—economic dislocations, or social or political injustices, or corruption, or other weakness, in order to attempt to weaken and ultimately overthrow non-Communist governments.

Now, by eliminating such conditions, and by a determined effort to improve internal security, I believe that it is possible to block Communist subversion.

There again you have the problem of collective effort and collective assistance. We think that improvement in education, a greater exchange of information, intelligence, and experience among the free world allies, economic assistance, mutual assistance possibly in many forms, including help for police and for local security forces, would be among the measures that might be used effectively.

A good many of these activities can be carried out under a proposed Southeast Asian arrangement, and such an arrangement would not necessarily, I think, not even essentially be a military pact.

Q: *General, Southeast Asia is only one of the regions, of course, that is threatened by communism pressing outward from China. We already*

ave defense treaties with Korea, Japan, the Philippines, New Zealand, and Australia—why not bring them all into one alliance?

A: I think you will agree that recent developments in Southeast Asia have lent a particular urgency to the development of the Southeast Asian collective security arrangement, comprising many nations in that area as are willing to take part. That's why we concentrated so specifically on that area.

Of the nations you have mentioned, such a pact could probably include the Philippines, for example; certainly Thailand. Both the Philippines and Thailand have indicated their willingness to join. New Zealand and Australia are in the Pacific area, and they are very much concerned. Whether this pact should eventually be expanded to include Japan or Korea is, of course, a matter for much longer range consideration, and there are many problems involved.

You have to bear in mind that membership in a pact like this must be acceptable to the other participants. The process of drawing the countries in East Asia together is a very, very difficult process. When Secretary Dulles went out into the Pacific to work out some specific security treaties in 1951, for example, he had in mind the possibility of having a rather broad pact. However, the political differences, the conflicts of interests, certainly lack of common tradition among many of the countries made it impossible at that time to bring this broader concept into being.

Q: Well, General Smith, Communist propaganda places heavy emphasis on the claim that the Reds in Southeast Asia are simply native patriots trying to get rid of the British or the French, or, as they often say, "American imperialism." What can the United States and its allies do to counter that line of argument?

A: I think the best thing that we can do is to demonstrate by our actions, as well as our words, that what we want for Asia, what we would like to be the Asians have, is what the Asians want themselves.

What they want most, I believe, is, first, national independence and peace, and economic and social progress; and if we can show that we are using our power to help them achieve these things, we'll be able to answer Communist propaganda effectively.

Q: General, I would like to get on to another tack on this subject. Do you think that the recent attacks on the British commercial airliner and on American search planes near Hainan Island are typical of the kind of trouble that may be expected from the Chinese Communists in the future?

A: I fear so. We have had this from time to time, periodically. The belligerent attitude of the Chinese Communists, their disregard for interna-

tional humanitarian conventions, were demonstrated there. I think it's rather unlikely that the Chinese Communist regime will change its attitude or its actions as long as it remains subservient to, or a willing ally of, international communism.

Q: Now, General, if the Chinese Communists persist in being tough, does the United States have any alternative course of action, I mean other than taking a strong line itself?

A: Well, we are certainly not going to be intimidated. We will continue to take whatever action seems to us to be necessary in safeguarding our interests, and we'll continue to stand ready, with other nations, in resisting Communist aggression, when we are called on to do so.

On the other hand, the idea of some of our European friends, that we are, as has been said, trigger happy, or overly impetuous, I think is not correct. Our actions will be well and carefully considered.

Q: Well, now, it's been suggested sometimes that one way to check communism in Asia would be to recognize the Chinese Communists and try to get along with them in a friendly manner. The British policy has developed in that direction for several years. Do you think such a course would pay dividends to the United States?

A: The Chinese Communists have openly declared their hostility toward all the non-Communist governments of the Far East as well as to the Western Powers with interests in the areas, particularly since the outbreak of the Korean War.

The United States has been singled out by the Chinese Reds as the so-called imperialist threat to the peace of the region, and I may say that during the Korean phase of the Geneva Conference no nation was attacked by name, by the Communists, except the United States. Where they wished to make a collective attack, they said, "The United States and certain other nations," but we were the only ones that were attacked by name, and consistently attacked by name.

I want to remind you that each of the independent governments of Asia, at one time or another, has been denounced in terms such as "reactionary," "undemocratic," or "puppets of the imperialists," and in the face of this record of Chinese Communist hostility toward the United States, and indeed toward the independent governments of Asia, it's very hard for me to believe that whatever professions of friendship they might make can be regarded as more than complete hypocrisy, or at least as a temporary tactical move.

That's the way I feel about it.

Question of Unifying Korea

Q: Now, another policy would be to get very tough on specific issues—for example, the unification of

Korea. President Rhee has often advocated renewal of the war in Korea as a means of unifying that country. Why should the United States not support Rhee in this?

A: You remember President Eisenhower's recent statement at a press conference? He pointed out clearly that the United Nations engaged in military action in Korea to prevent the advance of the Communist aggressors into the territory of South Korea, and that that action had never had, as its objective, the liberation of North Korea, or the political unification of Korea. The President added that while the division of Korea constituted a very unsatisfactory situation, there is no thought on the part of any of us to start an aggressive move for unifying the country.

You remember the United States Senate, when it ratified the Mutual Defense Treaty on Korea, reemphasized, in a special resolution, that it was the clear intent of the United States Government that the defense treaty not be construed as requiring the United States to give assistance to Korea except in event of armed attack against territory which has been recognized by the United States as lawfully brought under the administrative control of the lawful government of Korea.

Q: General, you returned from the Geneva Conference 2 weeks ago. Did you find evidence in the negotiations there on Korea and Indochina that the Chinese Communists would like to discover some way of getting along with other countries? What was your impression?

A: Well, my very definite impression was that the Chinese Communists were seeking a way of getting along with other countries. By that I mean they were seeking a way of getting what they want out of other countries without risking another Korea. Now, they want trade with the free world. They want a chance to industrialize. They would like—they want more than anything else—international acceptance. They want an opportunity to consolidate their position and to increase their influence in Asia.

I don't mean by this, in any way, to imply a change in their long-range program, which I do not think—I am certain—has not been changed. They now appear to be exploiting other means of achieving their objective—their control in Asia.

Q: Well, to state that question in a little different way, General, just for the sake of emphasis: Do you think the Indochina cease-fire foreshadows an end of the cold war in Asia?

A: Well, you know, the cold war is not of our making. I am afraid it will continue as long as the Communists seek to extend their sway over other people.

However, I have every confidence that the resistance of the free people will continue. As for

what the Communists intend, it may be that they mean to reduce their more obvious expansionist pressures on the free world for a time, for tactical or psychological reasons. You remember Lenin's "two steps forward, one step back" quotation. But I haven't seen any signs that they are ready to settle down as peaceful members of society. I'll believe the cold war, as it's been called, is over when the Soviet Union begins to reduce its enormous military establishments, when it starts to lift the Iron Curtain, and when it makes some move to free the captive nations of Eastern Europe. If we see those hopeful signs, then I think we might begin to relax, but not until then.

"Co-existence"

Q: Well, this brings us around, sir, to the word "co-existence." The Russians seem to want the free world to believe that they favor a relaxation in the struggle. Some Europeans seem to agree. Is it safe for the United States Government, in forming policy, to bring any such assumption into its consideration?

A: Well, it's certain the Soviet Union, for its own purposes, would like to allay the feeling of alarm that caused the free nations to draw together for their common defense after the Communist seizure of power in Czechoslovakia.

When I first talked with Stalin, after I went to the Soviet Union, I made a statement, carefully prepared here, which outlined the then policy of the United States, and I invited his attention to the fact that the free world had become alarmed by this dynamic expansionism of the Soviet Union, and that, if it continued, it would inevitably cause the free world to draw together for its own security, but only for its own security.

I reminded Mr. Molotov of that statement during Geneva.

The Communists now would like to lull the world into a false sense of security, and we are rather easily lulled into a false sense of security, because we are conscious of our own rectitude and we like to think that other people have the same ideas as we have. If they are able to do so, they can, behind this screen, pursue their tactics of subversion, infiltration, and propaganda. They'd like to have the world believe that their aim is peaceful, that the danger of war arises from the belligerence of the United States. You hear that repeated constantly.

They'd like to isolate the United States. One of the basic objectives of their foreign policy is to separate the United States from its Allies.

Their shift to a new soft line is an admission, I think, that the openly bullying tactics of the past have not quite paid the dividends that they expected.

Q: Well, General, in the light of what you say about this Russian attitude which we have ob-

served throughout the postwar period, why do you think the Reds made peace in Indochina? To many people they seemed to be militarily successful at the time.

A.: As you know, I said when I left Geneva, when I was asked whether the Geneva agreement represented a Far Eastern Munich for the Allies, I think that those agreements were a reflection of the military situation in Indochina. They represented the best possible settlement which could be obtained in the light of that situation. I said that it's rarely possible to gain, at the conference table, what could not be gained or held on the battlefield. Now, that was our position.

The Communists seem to have had the initiative, they did have it on the battlefield to a degree which put them in a very threatening position, but I think that the same reasoning lies behind the fact that they too were willing to reach an agreement. The Viet Minh had suffered a great deal during this very long war. With the Communists, probably what tipped the scales was the potential military situation, if they were to prolong the war—the power of the United States which conceivably then might have been used. They saw definite signs of the closing of allied ranks, the quick formation of a collective security arrangement to comprehend the Associated States, possibly an increased order of military operation. I think that's it.

Q: General, we now have two divided countries in Asia, Korea and Indochina. What effect is this sort of division going to have on the East-West relationships?

A.: Divisions of this sort are always thoroughly bad. They are very unsatisfactory, since they represent no common solution. They create points of local and of East-West friction which will presumably remain unless there is a satisfactory permanent solution.

But I must say that the resultant frictions are somewhat less severe probably than those which result from inconclusive and prolonged bloody wars, and they do, for the moment at least, bring to a halt the bloodshed and disruption of actual warfare.

The Communists feel that time works to their advantage, I am sure, in the area. We would hope to make it work to ours.

We don't accept these divisions as permanent political solutions. We accept them as truce lines brought about as a harsh military necessity resulting from Communist aggression, and we will continue to work toward unification under conditions of freedom and independence.

In Viet-Nam, both sides have promised free

elections for the purpose of establishing a unified country. So there's some small hope for a real solution in the present unsatisfactory partition there. It remains to be seen, however, whether the Communists are acting in good faith.

Trade With Red China

Q: General, to get back to this question of co-existence with Communists, one major aspect of the question, of course, is trade. Some of the Allied countries, notably Britain, want to build up trade with Red China. Now, what does the United States Government think about this whole problem?

A: We don't believe in putting into the hands of these people the tools to make or build an industrial base for further adventures in aggression. The policy of total embargo to Communist China has been the consistent position of the United States, but, as you mentioned, other free countries have not been able to accept this position as it applies to non-strategic goods.

The remarkable thing about Allied-country trade policies toward Communist China, considering the difference in political, economical, geographic, and other important circumstances, is not the area of disagreement but the area of agreement reflected in the United Nations strategic-embargo resolution. We are better off than we think we are in some respects.

Q: Does the real answer to communism, in the areas of Asia which are still free from it, lie primarily, do you think, General, in building military power there, or in such measures as raising the living standards of the people and strengthening their local governments?

A: I don't think that you can say that either one, rather than the other, is the real answer. It is essential to remedy situations that lead to widespread wretchedness, such things as unemployment, hunger, landlessness among the peasantry, the oppression by foreign rulers or native overlords, corruption and self-seeking in government—all the things that cause despairing people to turn to communism as a way out.

But it is not enough for a country simply to be anti-Communist; and please remember how the Republic of Korea, in the years before June 1950, proved immune to all the efforts of the Communists to subvert it. The result was that they launched a military attack on it.

The answer is that a country exposed to Communist pressure must not only have a strong and healthy society but must also have the means to defend itself from attack.

U.S. Protests Against Attacks by Communist Chinese Planes

STATEMENT BY SECRETARY DULLES

Press release 406 dated July 26

As I announced on Saturday, July 24, the Secretary of Defense had ordered two United States aircraft carriers to proceed to the scene of the Chinese Communist assault upon the British commercial airliner which resulted in the death of three Americans and the wounding of three others.¹ The mission as stated then of these ships and their planes was to conduct and protect further rescue and search operations in the vicinity of the tragedy.

This Government is now informed that two United States carrier-based planes of the rescue type, while conducting their mission of mercy and seeking possible survivors, were attacked over the high seas by two Chinese Communist fighter aircraft, apparently of the same type as shot down the Cathay Pacific commercial airliner. The United States planes returned the fire and the two Chinese Communist planes were shot down. There were no casualties on the United States side.

The United States plans to protest most vigorously against this further evidence of Chinese Communist brutality and their belligerent interference with a humanitarian rescue operation being conducted over the high seas.

DEPARTMENT ANNOUNCEMENT

Press release 410 dated July 27

The U.S. Government has requested the British Government to instruct its representative at Peiping to present to the top authorities of the Chinese Communist regime the vigorous protest of the U.S. Government against the barbarous and lawless attack on July 23, 1954, at approximately 8:45 a. m., local time, against a British Cathay Pacific defenseless and unarmed commercial airliner and its passengers. Occurring over international waters about 30 miles south of Hainan Island, this unprovoked and unwarranted attack resulted in the killing of three United States citizens, including two children of the tender ages of 2 and 4 years, and the wounding of three other U.S. citizens, including a child age 6.

In behalf of the U.S. Government appropriate punishment is demanded of all persons bearing responsibility for this criminal attack, as well as compensation for the victims and the family of those killed. A further demand is made that measures be taken to guard against repetition of such an action and that the U.S. Government be informed, through the British Government, of the nature of such measures.

¹ BULLETIN of Aug. 2, 1954, p. 165.

In a separate communication to the British Government for transmission to the Chinese Communist regime at Peiping, the U.S. Government stated that it had received an official report from the U.S. Naval authorities in the Pacific that at approximately 10:05 a. m., local time, on July 26, 1954, two U.S. carrier-based planes, while searching the area where the British airliner had been shot down near Hainan July 23, were attacked and fired upon by two Chinese Communist LA-9 aircraft. These are low-wing single seat fighters reported to be the Communists' fastest propeller driven fighters. The incident occurred well over international waters approximately 13 miles from Hainan. U.S. pilots of the search planes report that during this unprovoked and wanton attack a Chinese Communist gunboat also opened fire on the U.S. planes, which were engaged on a mission of mercy, searching the area of the first attack for possible survivors of the July 23 assault.

The United States requested that a most vigorous protest be made to top level authorities of the Chinese Communist regime at Peiping. Demand is made for adequate punishment of those responsible. The further demand is made that immediate, effective steps be taken to assure that there be no repetition of this deplorable attack and that the U.S. Government be informed, through the British Government, as to the nature of these measures.

The Communist regime at Peiping is informed that the United States reserves the right to present claims for possible damage and injury.

TEXTS OF AIDE MEMOIRE²

The Government of the United States protests vigorously against the barbarous and lawless attack on July 23, 1954 at approximately 8:45 a. m. local time, against a British Cathay Pacific unarmed and defenceless commercial airliner and its passengers. This unwarranted unprovoked attack occurred over international waters about 30 miles south of Hainan Island. It resulted in the killing of three United States citizens, including two children of tender age, two and four years, and the wounding of three other United States citizens, including a child aged six. The Government of the United States demands appropriate punishment of all the persons having responsibility for this criminal attack as well as compensation for the victims and families of the deceased. The Government of the United States demands that measures be taken to guard against a repetition

² These documents were handed to the Chinese Communists on July 27 by Humphrey Trevelyan, British Chargé d'Affaires at Peiping, after Mr. Trevelyan had made an oral protest. They later were returned by the Communists to the British mission.

of such action and the British Government be informed of the nature of such measures.

The United States Defence authorities have received an official report from the United States Naval authorities in the Pacific that on July 26 at approximately 10:05 a. m. local time two United States carrier-based aircraft while searching the area of attack on the Cathay Pacific Aircraft were attacked and fired on by two Chinese LA-9 aircraft. This incident occurred well over the international waters approximately 13 miles from Hainan. The United States pilots involved report that during this wanton and unprovoked attack Chinese gunboat also opened fire on the United States aircraft which, as stated above, were engaged on a mission of mercy search in the vicinity for possible survivors of the incident of July 23. The Government of the United States protests most strongly against these attacks and demands that those responsible be adequately punished, that immediate effective steps be taken to ensure that there be no repetition of this deplorable attack and that the British Government be informed as to the nature of such measures. The Government of the United States reserves its right to present claim for possible damage and injury after thorough investigation has been completed.

U.S.-Korean Talks

White House press release dated July 30

President Eisenhower and President Syngman Rhee of Korea on July 30 issued the following statement:

We have had a fruitful and cordial exchange of views on a number of matters of mutual concern. These conversations have strengthened the friendship existing between our two countries and are a further demonstration of our solidarity of purpose.

On August 8, 1953, President Rhee and Secretary Dulles agreed that the United States and the Republic of Korea would again consult if the political conference envisaged in the Armistice of July 27, 1953 failed to produce a satisfactory settlement. This conference was held at Geneva from April 26 to June 15, 1954, but at that meeting the Communists refused to accept any formula for the unification of Korea on the basis of genuinely free elections under U.N. supervision and instead continued to press for arrangements which would have led directly and inevitably to extinguishing the liberties of the Korean people.

We reaffirm our intention to move forward, in accordance with the Charter of the United Nations and the resolutions of the General Assembly on Korea, to achieve a unified, democratic, and independent Korea. In view of the failure of the Conference at Geneva to reach a settlement of the Korean question, we have discussed means for continuing to seek this objective.

Our military and economic advisers will continue with more detailed discussions of the questions of common interest which concern them.

In conclusion, we reiterate our determination to continue to work together in close and reciprocal cooperation to attain our common objectives regarding Korea.

Offer of Aid to Flood Victims in Central and Eastern Europe

Statement by the President

White House press release dated July 29

The American people have followed with sympathy and compassion reports of the widespread human suffering which has already resulted from serious flood conditions in large areas of Central and Eastern Europe. Reports indicate that serious damage to homes and crops has occurred all along the Danube and has been particularly heavy in Germany, Austria, Czechoslovakia, Hungary, and Yugoslavia. Moreover, there have been considerable hardship and destruction of property along rivers in East Germany flowing north. The full extent of these losses cannot be known for several weeks.

In West Germany and Austria U.S. authorities have extended emergency assistance in an effort to alleviate the immediate situation. The United States is prepared to extend such aid as is feasible throughout the flood areas. We stand ready to make food available to lighten the burden on flood victims who are struggling to rehabilitate themselves.

The foodstuffs which can be made available without delay could be distributed through a mutually acceptable international agency. Various agencies are under consideration, such as the League of Red Cross Societies. We are also making inquiries regarding the need for medical and other supplies.

I have asked our diplomatic missions in each country which has suffered flood damage to make themselves available to the local authorities in such a manner that we can be promptly and effectively of assistance to aid those in distress.

Anglo-Egyptian Agreement on the Suez Base

STATEMENT BY SECRETARY DULLES

Press release 413 dated July 28

President Eisenhower has expressed the gratification of this Government at the conclusion of an agreement in principle on the Suez Base between the Governments of the United Kingdom and Egypt. I join most heartily in his congratulations to both countries.

What has occurred is a major step in the evolution of the relations between the states of the Near East and the nations of the West. This agreement eliminates a problem which has affected not only the relations between the United Kingdom and Egypt but also those of the Western nations as a whole with the Arab States. I hope that it marks the beginning of a new era of closer collaboration between the states of the Near East and those of the West.

Thanks to this agreement a new and more permanent basis has been laid for the tranquillity and security of the Near East. The United States welcomes in particular Egypt's decision to make the Suez Base available to the United Kingdom in case of aggression against the area. The United States is also pleased to note the recognition by the two parties of the importance of the Suez Canal and the determination to uphold the Convention of 1888, which guarantees freedom of navigation through this vital artery.

The United States has been favorably impressed by the plans of the present Egyptian Government to concentrate on internal social and economic development. With the solution of the Base question, this Government welcomes the stated intention of the Egyptian Government to devote its full energies to these problems so important to the future well-being of the Egyptian people.

TEXT OF HEADS OF AGREEMENT¹

It is agreed between the Egyptian and British Delegations that, with a view to establishing Anglo-Egyptian relations on a new basis of mu-

¹ Initialed at Cairo on July 27 by Prime Minister Gamal Abdel Nasser of Egypt and the British Secretary of State for War, Antony Head.

tual understanding and firm friendship, and taking into account their obligations under the United Nations Charter, an agreement regarding the Suez Canal base should now be drafted on the following lines.

2. The agreement will last until the expiry of seven years from the date of signature. During the last twelve months of this period the two Governments will consult together to decide what arrangements are necessary upon the termination of the agreement.

3. Parts of the present Suez Canal base will be kept in efficient working order in accordance with the requirements set forth in Annex 1 and capable of immediate use in accordance with the following paragraph.

4. (i) In the event of an armed attack by an outside Power on Egypt or on any country which at the date of signature of the present agreement is a party to the Treaty of Joint Defence between Arab League States² or on Turkey, Egypt will afford to the United Kingdom such facilities as may be necessary in order to place the base on a war footing and to operate it effectively. These facilities will include the use of Egyptian ports within the limits of what is strictly indispensable for the above-mentioned purposes.

(ii) In the event of a threat of an attack on any of the above-mentioned countries, there shall be immediate consultation between the United Kingdom and Egypt.

5. The organisation of the base will be in accordance with Annex 1 attached.

6. The United Kingdom will be accorded the right to move any British material into or out of the base at its discretion. There will be no increase above the level of supplies to be agreed upon without the consent of the Egyptian Government.

7. Her Majesty's forces will be completely withdrawn from Egyptian territory according to a schedule to be established in due course within a period of twenty months from the date of signature of this agreement. The Egyptian Government will afford all necessary facilities for the movement of men and material in this connexion.

8. The agreement will recognise that the Suez Maritime Canal, which is an integral part of

² Egypt, Iraq, Jordan, Lebanon, Libya, Saudi Arabia, Syria, Yemen.

Egypt, is a waterway economically, commercially and strategically of international importance, and will express the determination of both parties to uphold the 1888 Convention guaranteeing the freedom of navigation of the Canal.

9. The Egyptian Government will afford overlying, landing and servicing facilities for notified flights of aircraft under R. A. F. control. For the clearance of any flights the Egyptian Government will extend the most-favoured-nation treatment.

10. There will be questions of detail to be covered in the drafting of the agreement including the storage of oil, the financial arrangements necessary, and other detailed matters of importance to both sides. These will be settled by friendly agreement in negotiations which will begin forthwith.

Annex 1

ORGANISATION OF THE BASE

Her Majesty's Government shall have the right to maintain certain agreed installations and to operate them for current requirements. Should Her Majesty's Government decide at any time no longer to maintain all these installations they will discuss with the Egyptian Government the disposal of any installation which they no longer require. The approval of the Egyptian Government must be obtained for any new construction.

2. Following the withdrawal of Her Majesty's forces the Egyptian Government will assume responsibility for the security of the base and of all equipment contained therein, or in transit on Egyptian territory to and from the base.

3. Her Majesty's Government will conclude contracts with one or more British or Egyptian commercial firms for the upkeep and operation of the installations referred to in paragraph 1 and the maintenance of the stores contained in these installations. These commercial firms will have the right to engage British and Egyptian civilian technicians and personnel; the number of the British technicians employed by these commercial firms shall not exceed a figure which shall be agreed upon in the detailed negotiations. These commercial firms will have also the right to engage such local labour as they may require.

4. The Egyptian Government will give full support to the commercial firms referred to in paragraph 3 to enable them to carry out these tasks and will designate an authority with whom the contractors can co-operate for the discharge of their duties.

5. The Egyptian Government will maintain in good order such installations, public utilities, com-

munications, bridges, pipelines and wharves, etc., as will be handed over to it according to agreement between the two Governments. The commercial firms referred to in paragraph 3 will be afforded such facilities as may be required in their operations.

6. Her Majesty's Government will be afforded facilities for the inspection of the installations referred to in paragraph 1 and the work being carried out therein. To facilitate this personnel shall be attached to Her Majesty's Embassy in Cairo. The maximum number of such personnel will be agreed between the two Governments.

Cabinet Committee on Energy Supplies and Resources Policy

White House press release dated July 30

The White House, on July 30, announced the formation of a Cabinet Committee on Energy Supplies and Resources Policy. The Committee will be composed of the heads of the following agencies: Department of State, Department of Defense, Department of Justice, Department of the Interior, Department of Commerce, Department of Labor, and Office of Defense Mobilization—Chairman.

The defense of the Nation in wartime and the continued expansion of the U.S. economy in peacetime require an abundant supply of energy. The industrial progress of the United States has been marked by rapidly increasing annual and per capita utilization of energy resources.

At the direction of the President the Committee will undertake a study to evaluate all factors pertaining to the continued development of energy supplies and resources and fuels in the United States, with the aim of strengthening the national defense, providing orderly industrial growth, and assuring supplies for our expanding national economy and for any future emergency.

The Committee will review factors affecting the requirements and supplies of the major sources of energy including: coal (anthracite, bituminous, and lignite, as well as coke, coal tars, and synthetic liquid fuels), petroleum, and natural gas.

The Chairman of the Committee, after consultation with the members of the Committee, will appoint from outside of the Government experts in each one of the areas to be studied to serve, under his direction, as members of a task force or forces.

The Committee will submit, not later than December 1, 1954, its recommendations to the President.

Agriculture and U.S. Foreign Policy

by Thruston B. Morton
*Assistant Secretary for Congressional Relations*¹

I am here to discuss problems not peculiar to any single industry, nor to any group, nor even to industry as a whole—and the fact that you have invited an officer of the State Department to come here is one more proof that the American people have grown up to their responsibilities of world leadership. You are to be commended for your interest in world affairs and your awareness that they are your affairs and not just the concern of the Congress, the Departments of Agriculture, Commerce, and Defense, the State Department and other branches of your Government that deal with external affairs. All of us can look confidently toward the known and unknown problems of tomorrow if all of us together face them with intelligence and resolution.

You have asked me to talk about our foreign policy in relation to agriculture, and this I shall do as well as the limits of my knowledge in such a vastly complex field permit. But even if I were as expertly informed as Secretary of Agriculture Benson, who spoke to you last year in Milwaukee, I could not limit myself to agriculture alone in any discussion that included foreign policy. For agriculture is inseparably woven into the fabric of our entire economic foreign policy, and that in turn is bound indissolubly with the military and political elements. All three together add up to American foreign policy.

Or, to make it very apt and simple, all the foreign-policy eggs are scrambled together. And as the late President Taft, who was a native of this State, pointed out many years ago, you can't unscramble an egg.

Now before I get into my subject, it seems to me a good idea to clear away some of the confusions—I might almost say the superstitions—that surround the term "foreign policy." Everywhere I go I find a tremendous interest, but I also find that many people regard our foreign policy as something so involved and mysterious that only

years of study could provide more than a superficial knowledge. These people tend to become discouraged by what appears to be a very formidable undertaking and abandon their effort to comprehend foreign policy, either as beyond their power or as something for which they just lack the time.

Gradually I came to understand why so many people were discouraged. They were confusing foreign policy with the complex operations—the conferences, the conversations, the formal notes, all the diplomatic machinery—that are needed to get results and make our foreign policy work. They were mistaking the package for its contents.

Actually, United States basic foreign policy is so simple that it can be described in one sentence. It is the broad and flexible line of action we take to guard and advance the interests of the United States and its citizens at home and in all parts of the world, and, further, to promote and strengthen the unity and well-being of the free world.

Let me repeat that: the interests of the United States and its citizens in all parts of the world. This is the sole end of our foreign policy. If we keep it constantly in mind, we will be less confused by the apparently inconsistent decisions that are so often made in Washington. We will understand, for example, why arms are shipped to Pakistan even though the action is offensive to India; why we seek to encourage Japanese industrial expansion in the face of objection from certain American and European manufacturers; why we sell butter to Great Britain at a price below what we ourselves must pay for it. The reason is always the same—it is in our national interest.

But I do not want to commit the error of oversimplifying. If our foreign policy is easy to grasp, our national interests are very extensive indeed. They are found in every segment of the free world, and in every segment they are interwoven with a separate set of problems.

Let us look at our overall immediate interest—the preservation and strengthening of the free world against communism—in relation to some of the problems as they appear in different geographic areas.

¹ Address made before the American Poultry and Hatchery Federation at Cleveland, Ohio, on July 21 (press release 393 dated July 20).

Our immediate neighbor to the north, the great and growing nation of Canada, is closely allied with us by language, institutions, trade, and the problem of defense. Our interests run parallel, and it is all but inconceivable that there could ever be an important conflict between the mutually supporting Canadian and American peoples.

It happens, however, that Canada is, after the United States, the greatest wheat exporting country in the world. Canada, too, has a large wheat reserve—in the neighborhood of 700 million bushels. Although the quantity is lower than our own July 1 carryover of 900 million bushels, on a per capita scale it is very much larger, for Canada's population is no more than one-tenth the size of ours. Another factor must be considered: wheat makes up the bulk of Canada's exports, whereas our own wheat constitutes only a small fraction of total exports. Thus, when the United States lowers the price of wheat by 10⅓ cents a bushel, as it did early in June, the impact in Canada is far greater than it is in this country—where, indeed, there was no impact at all, if only for the reason that it was taken up through an increase in the export subsidy. (I should add that there was nothing covert or unexpected in our reducing the wheat price. One of the things we have learned as our world responsibilities have increased is the importance of consultation in relation to all such matters.)

South of us, on mainland and islands, are the 20 republics known collectively as Latin America. For 131 years, since the utterance of the Monroe Doctrine, these countries have found a supporter in the United States. Especially during the past generation they have known increasingly the substance of our good will toward them. We have proved to them that we want friends, not frightened followers; strong allies, not sullen satellites. We have joined with them in the Organization of American States and in the Rio Treaty of Reciprocal Assistance. We have provided military and economic aid.

Our greatly strengthened relations must not, however, blind us to the remaining unsolved problems—nor are we blind to them. Many of them stem from poverty. Poverty is the great ally of communism. What happened recently in Guatemala, when Communist conspirators under orders from Moscow temporarily controlled the government, reflects this truth.

It is our responsibility to guard against the rise of communism elsewhere in Latin America. The principal danger points are those countries which lack diversified industries. I will cite several examples.

Chile in International Trade

Chile produces only two major products that figure in international trade—copper and natural nitrates. For some years Chile's nitrates have

been in decline, the victim, in part, of cheaper synthetic nitrates. Whereas that country once had a virtual monopoly of this adjunct to agriculture and sold upward of 3 million tons a year, today the outside world buys only 1½ million tons. The difficulty is accentuated by fluctuating foreign currencies, and the net result is that Chile's income from nitrates is less than half what it was not so many years ago.

Even more important to the Chilean economy than nitrates is copper. Possessing the world's greatest known reserves, Chile is second only to the United States as a producer of the metal. And yet the Chilean copper industry is a sick one.

The explanation lies partly in the artificial dollar-peso rate which is imposed by the government on the copper industry, partly in reduced consumption. When fighting ended in Korea a year ago, demand for copper slumped. In addition, high production costs caused Chile to lose a disproportionate share of the remaining world market. Copper stocks piled up rapidly, and within 6 months the industry faced a crisis.

To help relieve the plight of this friendly nation, the United States last March bought 100,000 tons of copper for stockpiling. Although no strings were attached to the transaction, Chile has voluntarily cooperated with the United States and restricted sales of the strategic metal to markets outside the Iron Curtain. In passing, I point out that the Soviet Union has offered to buy surplus copper from Chile. Whether the offer is bona fide or merely propaganda has not been revealed, but it is my own judgment that, if Chile should pin down the Russian offer, it would be found unacceptable either on the basis of price or for some other reason peculiar to the bargainers in the Kremlin.

Another serious dislocation in the Chilean economy is food production. During the past 10 years the Government of Chile has concentrated its energies on expanding and diversifying the nation's economy. In this effort U.S. private industry has played an important part. The Anaconda Copper Company, for example, has invested \$130 million in the copper business. Textile, cement, and tire factories have been built. A large steel mill has been erected with the aid of a \$58 million loan from the Export-Import Bank. A number of smaller concerns have been established. But—all of this has been accomplished only by sacrificing agriculture production.

That had not been intended, of course. It came as the inevitable consequence of high—relatively high, that is—industrial wages. Farms were left unmanned, in many cases deserted, as the workers rushed off to the towns and cities. The broad result is that Chile, once a food-exporting nation, is now obliged to import—an almost insupportable luxury for a country with insufficient foreign exchange.

The Government of Chile is now attempting to

bring about a partial reversal and encouraging some of its ex-farmers to return to the soil. This process, however, is a slow one. As those of you who are farmers know, you can't leave your fields for half a dozen years and resume harvesting the next day. First of all, there isn't anything to harvest. More important, the soil has become overgrown, and if you lack machinery, it is a tough job to get it back in shape for planting. Time and capital are needed, and the second of these ingredients is in very short supply in Chile. The ordinary farmer can't even buy fertilizer, and it is supremely ironic that a land with literally millions of tons of natural nitrates is underfertilized!

Here again the United States has given a hand. The Foreign Operations Administration has sent technicians and demonstrators to Chile to assist the country in restoring its agriculture at least to the point of self-sufficiency.

Bolivia in the World Market

I turn now briefly to Bolivia.

If Chile is a two-export country, Bolivia enters the world market as a seller in only a single field. Upward of 95 percent of the total consists of minerals, and the bulk of that—70 percent—is tin. When tin is in great demand, Bolivia prospers. When the market is glutted, Bolivia suffers severely. Last year tin dropped from an earlier high of \$1.70 a pound, delivered in New York, to 80 cents. The causes of the drop were various, but the underlying cause was a saturated market. Annual world consumption is around 120,000 tons. Annual production—more comes from Southeast Asia than from Bolivia—had for some time been around 150,000 tons.

The break in the price of tin was compounded by a phony foreign-exchange rate—note the similarity in this respect between Bolivia tin and Chilean copper. Within a few months the already shaky government was financially prostrate. Lacking foreign exchange of any sort, Bolivia could not import desperately needed foodstuffs, for here is another Latin American Republic that doesn't grow enough for its minimum requirements.

By last summer large sections of Bolivia were on the edge of starvation. In July, when the President's brother, Mr. Milton Eisenhower, was on his special mission to South America, the Bolivians appealed directly to him for aid. As a result, the Commodity Credit Corporation was authorized to make an outright grant of 5 million dollars' worth of foodstuffs. Wheat and flour in this amount were shipped, and in March of this year another 3 million dollars' worth was added, plus 4 million dollars' worth of other agriculture products, machinery, and tools.²

These emergency measures were taken for the

² BULLETIN of Oct. 19, 1953, p. 518, and Mar. 29, 1954, p. 468.

sole reason that help was urgently needed. No payment of any kind was asked. No conditions of any kind were imposed. But we have already been amply repaid. A government that was in danger of being dominated by extreme leftists has changed its complexion and moved a long way from the Communist line that was showing signs of forming less than 2 years ago.

Long before the crisis of 1953 we had been assisting the Bolivians to establish a self-sufficient agricultural economy. Forty-four specialists from the United States are working in Bolivia now. In another 2 years a famine in that landlocked country should be virtually impossible, and within another few years it is expected that Bolivia will be self-sufficient in such basic foods as wheat, corn, and sugar.

We have, in addition, helped Bolivia to overcome the major problem of transportation. The Export-Import Bank has advanced \$29 million for highways that will join hitherto almost totally separated areas of this mountainous country.

All of this, of course, falls somewhat short of a complete solution. Bolivia's prosperity will continue to fluctuate in response to the behavior of the world tin market. But in the clearly visible future those fluctuations may be expected to have a lower limit comfortably above the starvation level.

I have used Bolivia and Chile to illustrate our foreign policy in action both because agriculture is directly involved and for the reason that these countries provide dramatic applications of the good-neighbor doctrine. It would be possible to continue with other important situations, but time will not permit me to elaborate further on Latin America. I will wind up by saying that a conference of American states will be held later this year at Rio de Janeiro to discuss hemisphere economic problems and that heavy work lies ahead for the United States. With few exceptions the Latin Republics feel that since the end of the war we have been slighting them in favor of friends in other parts of the world.

It is undeniably true that we have contributed more heavily to the nations of Europe and certain parts of Asia, but it is equally true that our national interest has required that we do so. Their problems have been more acutely urgent than those of Latin America, and we have been forced to be selective, not on the basis of worthiness but on the basis of our national interest. Even the vast resources of this Nation cannot supply all the lack of the entire free world.

Western Europe

Let us look next at Western Europe, which we necessarily regard as our chief bastion against the encroachment of communism. Here some 27 million people live on the free side of the Iron Curtain. If these freedom-loving Europeans, with

their natural resources, their varied skills, and their high productive capacity, should be absorbed into the Soviet system, the total weight against us might be heavier than we could bear.

Our national interest requires that the free peoples of Europe remain free. That is why we put the Marshall plan into action in 1947 and why we have since continued to support the mutual security program. That is why we have helped to create NATO—the North Atlantic Treaty Organization. And that is why we are so deeply concerned at this very moment about the ratification by France and Italy of EDC—the European Defense Community.

Since the end of the war we have contributed billions of dollars in military and economic aid to Western Europe—and the investment has paid off. Communism has lost ground. The Red army has not advanced. Agriculture is flourishing. Industrial production is higher than at any previous moment in history.

The indispensable counterpart of consumer goods is consumers. If markets are restricted by barriers of one kind or another, the producer of goods suffers, whether he be factory owner, artisan, or humble sweeper. Some barriers to trade are physical: the mountains of Bolivia, now for the first time being traversed by adequate highways, are an example. But the only really important trade barriers left in the world today are artificial. We will not, for example, countenance the sale of strategic goods to the Communist countries. Even more universal is the barrier of tariffs.

Now it is not my purpose here today to go into a broad discussion of this very difficult subject. Nevertheless, since the industrial history of the United States is in substantial measure a history of tariff legislation, it is important that we take a quick look at some of the forces that cause tariff barriers to be erected.

Up to the time of the First World War the United States was normally a heavily protectionist country. The manufacturing interests usually succeeded against the agricultural interests and elected Congresses that voted for high tariffs to protect the "infant industries." The underlying economic cause of the Civil War was antagonism between the industrial North and the agrarian South.

Radically altered circumstances, chief of which was the emergence of the United States from World War I as a creditor nation, brought about a gradual revision of attitude toward protectionism. It was not so much the philosophic realization that a country which persists in producing things which it can purchase more cheaply abroad reduces the total quantity of goods available to it and to its trading partners that caused us to revise our attitude. It was, instead, the irresistible logic of hard facts. We discovered that, if we wanted to sell goods to a debtor nation, there were only two ways in which the debtor could get dollars

to pay for them. One was to lend it more money. The other was to let it earn dollars by selling its own goods in this country.

In the long run, we found that further loans were destructive to both borrower and lender. We have thus been forced to face the facts of life and, to our overall advantage, buy more goods abroad. Any other course would have been destructive to our own economy. For not only would refusal to buy foreign goods pinch the seller—it would compel our own manufacturers to reduce their production in exactly the same amount as we failed to buy from abroad. The real clincher is that lower domestic production would reduce the American standard of living.

I would not pretend to you that tariffs have been eliminated, or even that I believe they should be eliminated except, perhaps, over a relatively long term of years. We have some industries that require an intelligent method of protection. I do, however, believe that a gradual lowering of tariffs will be beneficial to the United States as well as to the countries which would directly profit. President Eisenhower stated my own position as well as his in a message to Congress several months ago:

Together we and our friends abroad must work at the task of lowering the unjustifiable barriers—not all at once but gradually and with full regard for our own interests. In this effort, the United States must take the initiative and, in doing so, make clear to the rest of the world that we expect them to follow our lead.

It is against this background that our support of the International Monetary Fund and the General Agreement on Tariffs and Trade takes on added significance. These are the instruments through which we try jointly with other countries to establish a world trading system that will provide a real basis for high standards of living and a maximum contribution to military security.

There may be nothing dramatic about technicians of 34 countries spending months of laborious effort negotiating an agreement involving 8,800 multiple-way tariff concessions. And it may take years before the full economic effects of the action will be realized. But the fact that the results may be imperceptible from day to day does not reduce their importance. In setting our foreign policy goals we look far beyond tomorrow, and our foreign policy must therefore also be directed to building the long-run strength of the free world as well as to dealing with today's or tomorrow's crisis.

Now so far as Western Europe is concerned, there is little difficulty between ourselves and its peoples on the agricultural side. On balance, food is imported, not exported from Europe. At the same time, those countries which specialize—Norway and fish; Denmark and butter; Italy and cheese—to mention a few and to keep it very simple—are very seriously affected by tariffs, and especially so when they are suddenly imposed or

increased. Fishing is a major industry in Norway, and, if fish is excluded from one foreign market, the nation's entire economy is thrown out of joint.

Another aspect of the European food market is revealed when we examine the problems of competitors in that market. Europe is an important purchaser of wheat, and quite naturally the buying countries take full advantage of competitive prices. One of our responsibilities is to refrain from disposing of our surplus cereal to the detriment of other wheat-exporting nations, of which Canada, Argentina, and Australia are the most important. If we sold our wheat, or even if we gave it away, without regard to the impact on those countries, we would be guilty of committing a grave economic sin—and one that would cost us dearly in the end. We have to be careful in another direction. Recently, when we sent wheat to both India and Pakistan to forestall famine, we had to bear in mind the effect of those gifts on the rice-exporting countries of Burma and Thailand. For India and Pakistan are normally importers of rice, and there was the very real danger that we might deprive Burma and Thailand of part of their outlet, with resultant ill effects on their respective economies and on our relations with them.

In this discussion it has been possible only to pull out a few strands of the vastly complex international web, and no doubt I shall disappoint some of you by failing to lay hand on other equally significant strands. I have tried, however, to show you the general pattern, if only for the reason that it would take a full team of specialists a week or longer to unravel all the threads for close scrutiny.

Japan

One subject I cannot neglect is Japan. Our security plans in the Far East include the development of this country as an outpost of strength in the free world's efforts to stem possible Soviet aggression in that area. To achieve this objective Japan must assume the major responsibility for her own defense and become a defense base for the area as a whole. These military objectives cannot be achieved unless the Japanese economic position markedly improves.

With an arable area less than that of California, Japan must support a population of 88 million. Under these circumstances, Japan is dependent on international trade and must export goods to earn the currency needed to purchase vital food, raw materials, and other imports.

Japan's trade today is gravely out of balance. The 1953 trade deficit was over a billion dollars.

Much of the deficit of recent years has been made up through our special expenditures in Japan related to the war in Korea. With the fighting over—permanently, we all hope—the slack will have to be made up either through subsidy by the American taxpayers or by developing adequate trade possibilities with the free world, especially with those portions within the area of South and Southeast Asia which possess many of the physical resources needed by Japan.

The latter solution is obviously the desirable one. It is rendered peculiarly difficult, however, by the natural attraction of trade with mainland China and Manchuria, important trading areas for Japan before World War II.

Here again we have a politico-military objective which can only be met if certain basic adjustments take place, and we have been seeking to bring about the necessary adjustments.

We have assisted in the economic development of the South Asia region. The ultimate results should raise standards of living and increase the market for products of the free world, including Japan. Now under examination are plans that are expected to aid the modernization of Japanese productive facilities through the extension to Japan of a program of industrial technical assistance.

Of major significance have been our efforts to influence the accessibility of Japanese goods, both in the United States and in other free countries. In the process we have encountered opposition from a number of American interests; the West Coast tuna industry is one example. There is also a deep fear of a resurgent Japan on the part of Australia and other countries of the area. Nevertheless, some limited success was achieved last year under pressure from the United States when the contracting parties of the General Agreement on Tariffs and Trade permitted Japan to associate with the group and to acquire some of the rights of a contracting party.³ Major further strides can be made through concrete steps on the part of the United States to lower its tariffs on Japanese goods and through making concessions to other countries which will in turn make it possible for them to open up their markets to Japanese products. We are now endeavoring to gain the authority to take these steps.⁴

³ *Ibid.*, Nov. 16, 1953, p. 677.

⁴ From this point on, Mr. Morton spoke extemporaneously.

The Significance of the U.S.-Puerto Rican Relationship

by *Henry F. Holland*

*Assistant Secretary for Inter-American Affairs*¹

It is my great privilege to bring to my fellow citizens of Puerto Rico and to your distinguished Governor Muñoz greetings from President Eisenhower, who sends cordial congratulations on the accelerated progress of the Commonwealth and his sincerest wishes for your prosperity and happiness. During the past year, the President has been observing with personal interest and with gratification innumerable evidences of the patriotic solidarity of the Commonwealth with the United States. It is his belief that this anniversary, the Commonwealth's second milestone, is a date of great significance for the United States as well as for Puerto Rico. It is significant for both because it is an historic date in the relationships of peoples. It commemorates a new and decisive event in such relationships; and we can celebrate each succeeding anniversary with increasing pride and satisfaction.

Recognition of the increasing stature of Puerto Rico is widespread. Since the celebration of the Commonwealth's first anniversary, one year ago today, the General Assembly of the United Nations has acknowledged the self-governing status of the Commonwealth; and governments round the world have taken advantage of Puerto Rico's generosity in making available to other peoples the fruits of its own experience in developing and adapting techniques and applying them with its own brain, sweat, and muscle to the solution of its own problems.

Governor Muñoz once said that Puerto Rico would become a technical assistance laboratory for the underdeveloped areas of the world. That prophecy has already been realized in large part. One evidence of this is the international technical cooperation training center, established here by a contract between the Government of the Commonwealth and the Foreign Operations Adminis-

tration which became effective on the first of the present month.² I understand that under this contract, during fiscal year 1955, the center will train in the fields of industry, trade, and agriculture some 70 participants from British, Dutch, and French Caribbean areas and about 500 from other areas the world over. These visitors will not only receive from you the technical training so greatly needed to improve living conditions in their own lands, but will see for themselves what no visitor to Puerto Rico can fail to see: the vitality of democracy in action; the practical achievements within the reach of a people determined to help themselves; the rewards that crown sincere good will, wise planning, and cooperative efforts.

I have heard visitors from many countries returning from Puerto Rico say the same thing in one way or another: that nobody really believes what he is told about your achievements here until he comes upon them face to face, sees them firsthand. From previous visits to Puerto Rico I can testify that this is a fact from my own impressions. Puerto Rico is proof positive that a people who are determined to better their lot can raise their living standards and enlarge their opportunities by their own consistent, united efforts.

What you have done here in this line has made the phrase "Operation Bootstrap," which I am told Governor Muñoz originated, a part of the English language. It is quoted in newspaper headlines and newspaper columns and on the floor of the United States Congress. In fact, not long ago it was used without attribution by a member of the British Parliament in recommended action for British overseas areas. I look to seeing "Operation Bootstrap" included in the next edition of the dictionary, as it is already included in the minds and vocabularies of men and women everywhere who believe a people, like an individual, goes farthest and most surely when it is impelled by its own grit and initiative. And in this, I am convinced that Puerto Rico is an example of free

¹ Address made on July 25, the second anniversary of the inauguration of the Commonwealth of Puerto Rico, at San Juan, Puerto Rico (press release 399 dated July 23).

² BULLETIN of July 12, 1954, p. 57.

world enterprise which should hearten enslaved and oppressed peoples who are still in the dark area of Communist colonialism.

Let me express again my pleasure in being here and in bearing President Eisenhower's message of greeting and good will. I cannot claim Puerto Rico as a birthplace, as could my predecessor and good friend, Edward G. Miller, Jr.; but my own native State of Texas has Puerto Rican ties of its own. To mention only three of them, you will recall that a fellow-Texan, the late George C. Butte, was Attorney General of Puerto Rico and several times Acting Governor, from 1925 to 1928; and another distinguished Texan, James R. Beverley, who was later Governor of Puerto Rico, is

still one of your useful citizens; while your Under Secretary of State, Arturo Moyales Carrion, like many other young Puerto Ricans, carried on his graduate studies at the University of Texas.

The ties between Puerto Rico and not merely one but all the 48 States, and Puerto Rico's ties with the United States as a whole—the greatest tie of all being, of course, our common citizenship and our mutual heritage of freedom—strengthen inter-American friendship. They bulwark hemisphere solidarity and in so doing help to maintain freedom already achieved by extending the boundaries of the free world and therefore the hope of mankind.

The Impact of the United States on Latin America

by W. Tapley Bennett, Jr.

Deputy Director, Office of South American Affairs¹

It seems particularly fitting that you have chosen to conclude this series concerned with America's impact abroad with a consideration of the impact of the United States on Latin America. For it is only natural that in no other part of the world as in this hemisphere have the interests of our country been so long and constant or our ties of relationship so consistently maintained and cherished.

From the earliest days of European colonization in the New World, we have shared similar experiences with our neighbors to the south—wresting a civilization from the wilderness, being colonized alike in the Christian faith, developing a devotion to republican ideals, desiring liberty for ourselves and our children, and not hesitating to take up arms to achieve that liberty from our mother countries. Latin Americans such as Bolívar and Miranda offered support and encouragement to us in our revolution. Haitian troops fought at the Battle of Savannah and were at Yorktown.

The achievement of North American independence excited at once a profound influence and a

strong encouragement on the aspirations toward national freedom of the colonies of the Latin nations in Central and South America. Philadelphia was known everywhere in Latin America as the Capital of Freedom. Americans like George Washington, Benjamin Franklin, John Quincy Adams, Henry Clay, and Joel Poinsett lent their aid and counsel to the struggle for liberty, and the United States was the first power to recognize the independence of the new republics as they were formed, one by one. Latin American patriots, like our own, had been inspired in their thoughts on the organization of government by the writings of Montesquieu and Tom Paine, and when freedom had been won, they took our Constitution as a model for their own. *The Federalist* papers were translated into Spanish by a Peruvian priest and printed in Philadelphia for distribution throughout Latin America.

The Monroe Doctrine was enunciated in 1823 precisely to protect our security and their newly won independence and to permit all the nations of this hemisphere to grow to maturity free from the shadow of domination by any transoceanic power. As early as 1826 efforts were being made to put into practice Bolívar's great dream of hemispheric unity, and in 1889 representatives of the nations of this hemisphere met in Washington or

¹ Address made before the Pennsylvania State University Institute on World Affairs and International Cooperation, State College, Pa., on July 28 (press release 412).

invitation of the United States to establish the Pan American Union, which now, as the Organization of American States, is the oldest of all the regional international organizations.

It has, in fact, become a habit in this hemisphere to blaze new paths in peaceful international collaboration, and the principles and techniques developed here have then often spread to other parts of the world. It was with the other American Republics that we began our exchange of students program which has since become a global policy of the United States. That program brings to Penn State and to our other great universities so many promising young people from all parts of the world (something over 10,000 from Latin America alone this year) and sends them home again, not only with superb training in their chosen fields but with something even more significant as regards the impact of our country abroad—it gives them overwhelmingly an understanding of our way of life which they can impart to others, a knowledge of us as we really are, with which they can answer the voices of international discord and counter the disciples of denigration.

It was also in this hemisphere that first we evolved what has become a cardinal tenet of United States foreign policy—our technical cooperation program. In the Americas we began well before World War II with the sharing of United States techniques in grass roots projects for the betterment of the everyday life of individuals—better schools, better health, better agricultural methods, better roads—in the spirit of very practical altruism which believes that, as at home, healthier and more prosperous neighbors make warmer friends and stronger allies, in short, a better neighborhood.

Again, the Rio Treaty of 1947, with its common defense principle of all for one and one for all among the American Republics, was the forerunner of the North Atlantic Pact and the NATO arrangements. The alertness of our hemisphere defense system was evidenced only last month through the preparations of the American States to proceed with necessary action on the Guatemalan case—action which fortunately did not have to be taken.

The political system which we and our neighbors in this hemisphere have built together is unique in the world—a roundtable at which all sit and have the same rights, a system which has a record of peaceful settlement of disputes among its members that is unparalleled elsewhere on the globe, and, incidentally, a unity of outlook which carries over into the United Nations on the major world issues of today and sustains the positions of the free world time after time.

If we turn now from historical and political considerations, we observe that the economic impact of our country in Latin America in these times is extraordinary. How can it be otherwise when the United States, one among the 21, is roughly the equal of the other 20 in population? When the

United States has a national income eight or nine times that of the combined national incomes of all the other 20?

These disparities obviously bring difficulties—and not all of them economic. We must in candor recognize that the inescapable effect of our economic stature and power does not always proceed in full understanding. It is only natural that there should be stresses and strains from time to time in our hemisphere relationship, especially when it is a relationship based on voluntary cooperation founded on equal rights, with no possible thought on either side that it might descend to the willful exploitation and the ruthless terror exercised by the Soviet Union in the master-slave relationship which it has developed with its near neighbors.

Trade Relations

In trade relations, for instance, our impact on Latin America is enormous. Our ravenous industrial and defense machine buys fully 50 percent of all of Latin America's exports. It provides that area with half of the precious foreign exchange with which it buys foodstuffs, automobiles, machine tools, toothbrushes, finished goods, and all the range of our national production, both agricultural and industrial. This might be called reciprocal impact, since in all the world only Canada buys more from us than do the Republics to the south.

The field of trade relations offers a prime example of difficulties caused by disparities in size and purchasing power. While in the last 15 years the prices of Latin American exports have risen much more rapidly than the cost of the things they must buy and have helped to provide a favorable balance to apply to their industrialization programs or other needs of their growing populations, the other American Republics for the most part still depend on the export of one or two products for their foreign exchange. There are copper and nitrate in Chile, tin in Bolivia, petroleum in Venezuela, sugar in Cuba, coffee in Brazil, Colombia, El Salvador, and Guatemala. The United States market, as Dr. Milton Eisenhower concluded in his "Report on United States-Latin American Relations,"² is indispensable to their well-being. Shifts in U.S. purchases or in consumption habits with respect to a given commodity, which may be so minor with us as to pass unnoticed outside the immediate area affected, can have cataclysmic results in the life of a country which depends on the proceeds of the sale to us of that commodity to buy bread for its people. Small wonder that our Latin American friends take an absorbing interest in our tariff policy. One slight flip of the tail of the whale can capsize the rowboats in the surrounding sea.

² BULLETIN of Nov. 23, 1953, p. 695.

Private Investment in Latin America

For generations United States private capital and investment have played a significant role in the economic development of Latin America. It is necessarily a complementary role, for local capital and local initiative must obviously do the principal job. In their truly phenomenal economic growth since World War II, our Latin American neighbors have marked up an annual increase of 2.5 percent per capita output over population growth (and their population is growing at the fastest rate of any region in the world). This annual increase of 2.5 percent exceeds the United States average annual per capita growth of 2.1 percent during the period of our great expansion from 1869 to 1952. If it can be sustained in the years to come, it will work wonders throughout Latin America.

It is estimated that over 90 percent of the funds that have gone into this recent development have come from Latin America's own savings. This is as it should be, and the credit for the remarkable progress of recent years belongs primarily, of course, to Latin Americans themselves. Still, the importance of United States direct private investment in the other American Republics, which now totals more than \$6 billion, may be measured by the fact that, with the exception of Canada, it exceeds the amount of U.S. investment in all the rest of the world. And this United States capital has often been the bellwether, the pacemaker in the development of new industries and new techniques. Or, through investment in such fields as transportation, power, fuel, banking, shipping, or agriculture, United States capital has often been instrumental in providing the base on which a healthy and diversified modern economy can be built.

We must remember that our most widespread contact in the other Republics is through the operations of the United States companies which have invested these \$6 billion. The representatives of United States business abroad are overwhelmingly devoted to the advancement of their host country, and they identify themselves with its progress.

Here again, however, size brings problems. The individual United States investment is often very large in comparison to local enterprise—and it is foreign. At the present time it is caught up in the tremendous tide of social ferment sweeping over Latin America. Despite its often decisive contributions to national growth and development, despite its customary practice of paying higher wages and furnishing more benefits than local employers, despite its generosity to local community needs and its strong encouragement of educational and training opportunities for local youth, the United States company is all too often a ready-made target for the homegrown demagogue, the ultranationalist, or the foreign-inspired radical.

In many cases the attackers and their listeners overlook the fact that the rail lines would not have been laid, that the oil wells would not have been brought in, that the ore would not have been processed, that the irrigation canals would not have been plotted had it not been for the resources and experience of foreign capital allied with local initiative. The public utility is often prevented through inequitable rates from expanding its facilities to meet the growing needs of the very community it serves.

From the attack on United States private enterprise, it is but a short step for the ultranationalist to move on to score the United States as a whole and to challenge and decry its motives. Ultrnationalism, with its demagogic slogans, its aggravated suspicions, and its willful blindness regarding the true long-range interests of the nation, is a principal brake on Latin American progress today. The activity of ultranationalists offers welcome opportunity to the Communists, and the two often join in tacit cooperation.

But if there are determined elements in Latin America working against our goals—if there are elements which divide hemispheric solidarity and which view the Kremlin complacently as a useful counterweight in international politics to the colossus of the north, which think more of selfish advantage than their nation's interest—and if these forces are sometimes supported for local political reasons by more responsible elements—we should not forget the deeper and more important currents which are bearing hemispheric relations on toward common goals.

For we have been talking of generally measurable activities and achievements in the political and economic spheres, whereas we of the West, who reject the materialistic and atheistic base of the Communist system, are convinced that the final reckoning must be made not in the light of those measurable events, important as they are, but on the immeasurable concepts and aspirations of the individual under God. Therein lies the historic promise of America. The impact of our country on the other nations of the New World is the impact of individuals. It is as old as the Yankee trader going forth in his clipper ship. It is the impact of the irrigation expert who brings water to a barren plain. It is the impact of the teacher who opens new vistas to the youthful mind. It is the impact of the nurse who brings relief from a long-time pain. It is the Man of God who illumines our common heritage of faith. It is the ambassador whose personal character turns the course of relations into warmer and more fruitful paths. It is the agricultural specialist who raises the yield of corn threefold. It is, in sum, the efforts of all our citizens working together in a free community for a better way of life to be shared by all.

The Latin American believes, as we do, in this

community of free men. He believes in hemispheric solidarity. He knows the United States practices democracy at home, desires peace in the world, and harbors no territorial ambitions. He has faith in our essential idealism and in the basic sincerity of our approach. He shares with us the conviction that in this hemisphere we are still building, striving to fulfill the great promise of a "New Order of the Ages."

Secretary Dulles, in his address to the Tenth Inter-American Conference at Caracas last spring,³ spoke of this mutuality of interest in the following words:

The unity which generally prevails between us . . . is nothing that is artificial. It is not, indeed, primarily geographic. It is a unity which exists because of a harmony of the spirit.

It has been my experience that the Governments of the American Republics usually act alike internationally because their peoples believe in the same fundamentals.

We believe in a spiritual world; we believe that man has his origin and destiny in God; we believe that this fact requires human brotherhood.

We believe that, just as every human being has dignity and worth, so every nation great or small has dignity and worth and that international relations should be on the basis of mutual respect and equal dignity.

Requisites for Good Hemispheric Relations

Dr. Eisenhower in his report to the President suggests five requisites for good relations among the nations of this hemisphere, and I should like to call them briefly to mind. First, he speaks of the necessity for understanding among governments and people—a genuine understanding of and sympathy for one another's problems and purposes—so that from that understanding may flow successful cooperation in political, economic, military, and cultural fields.

Second, he stresses the need for mutual respect, especially important in relations between large and small countries since nations, like individuals, have dignity and pride. This requisite leads directly to one of the primary principles of our inter-American system, the nonintervention policy. We do not intervene in the domestic affairs of other countries in this hemisphere. We do not go into their countries and tell them how they must run their affairs. We cannot do that if we are to have good relations.

A third requisite calls for the sovereign equality of states—a concept inseparable from mutual respect.

His fourth requisite deals with the need for mutual security and an adequate system of common defense.

His fifth requirement emphasizes the need for a firm adherence to mutual goals and discusses some of the objectives held in common in the Americas, such as goals of permanent peace, freedom, independence, rising levels of economic well-

being, the advancement of democratic processes, the attainment of spiritual values.

We are advancing in this hemisphere toward a full realization of these requisites for an abiding cooperation between the United States and the other Republics of this hemisphere. Many of these requisites have already been achieved. Problems remain, of course, and some of the barriers in our path are difficult ones. But the main course moves steadily onward.

Citation of French Nurse

White House press release dated July 29

President Eisenhower presented the Medal of Freedom with Bronze Palm to Mlle. Geneviève de Galard-Terraube on July 29 with the following citation:

Mademoiselle Geneviève de Galard-Terraube, French Airborne Nurse, by her ministrations to the sick and wounded at Dien-Bien-Phu, inspired and heartened the entire free world. Her service to her comrades, marked by the courage of a woman in battle and by the devotion of a nurse to her sworn duty, has been unsurpassed in this century. Her supreme fortitude in hours of peril, her unfaltering dedication to her mission reflected the greatness of spirit manifested on many fields, in many centuries, by the soldiers of France.

The Republic she serves so nobly has been an ally of the United States for 178 years. The continuing friendship between the peoples of the two Republics is symbolized today in their joined salute to Mademoiselle de Galard-Terraube. Her service at Dien-Bien-Phu reflects great credit upon herself and her country and the cause of freedom around the world.

Berlin University Thanks American People for Aid

Following is the text of a letter to Secretary Dulles from the rector of the Free University of Berlin.

JULY 13, 1954.

DEAR MR. SECRETARY: I feel honored to convey to you, from myself personally as well as from the teaching staff and the student body of the Free University of Berlin, our heartfelt thanks for the kind message you sent us on the occasion of the dedication of our new buildings.¹ We were deeply touched by your message expressing sympathy with and interest in the objectives of the Free University of Berlin the attainment of which is our most important task.

³ *Ibid.*, Mar. 15, 1954, p. 379.

¹ BULLETIN of July 5, 1954, p. 13.

It is a great honor for me and a genuine pleasure to thank you and, through you, the American people for the material and spiritual support granted the Free University of Berlin since its foundation. You may be sure that we shall always strive to keep alive the spirit of free inquiry and thereby we join hands with the American people who have, as the past has shown, always defended that intellectual freedom which is needed everywhere.

Sincerely yours,

Professor Dr. ERNST E. HIRSCH.

International Bank Announces First Loan to Austria

The International Bank for Reconstruction and Development on July 19 announced its first loan in Austria. The loan will be in European currencies, expected to be Italian lire and Swiss francs. It will help to finance the Reisseck-Kreuzeck hydroelectric power project being constructed in southern Austria. The project will make more power available to industries and will enable Austria to increase power exports to Italy. It represents an important step in the realization of Austria's large hydroelectric potential, which is one of the chief natural resources remaining to be fully developed in Europe.

The coborrowers are the *Draukraftwerke* (Drau River Power Company) and the *Verbundgesellschaft* (Austrian Electric Power Corporation), the Government-owned company which as part of its national power network controls the operations of the *Draukraftwerke*. The *Verbundgesellschaft* system serves seven of Austria's nine provinces, and the companies it controls supply about two-fifths of the public power consumed in Austria. The area served includes Vienna and most of Austria's industrial centers.

The project will harness the potential power in a number of lakes and small streams situated in the Reisseck and Kreuzeck Mountains, a part of the Austrian Alps, which flank the valley of the Moell River. At completion, which is expected at the end of 1958, it will add 112,000 kilowatts to generating capacity in Austria.

Austria's rivers are fed largely by melting snow from the mountains. In winter, they virtually dry up and can supply little water for hydroelectric power; the electricity networks have to depend heavily on thermal power during this period. An important feature of the Reisseck-Kreuzeck development is that it provides for water storage and the generation of hydroelectric power in winter as well as summer.

As part of the project, four natural lakes high in the Reisseck Mountains will be made to serve as reservoirs and another artificial reservoir is being constructed. Together, they will have a

capacity of 18 million cubic meters. The fall in elevation of some 5,800 feet to the main power station will be the longest in the world and will generate an extraordinarily high output of power per cubic meter of water. In the summer, when there is a surplus of water and power, a pumping station will return water up to these reservoirs for storage and power generation in the winter months. This will make possible increased supplies of power for Austrian industries and for industries in northern Italy, which likewise experience winter shortages of electricity.

The total cost of the Reisseck-Kreuzeck project is estimated at 898.7 million schillings (\$34.5 million), of which the equivalent of \$9.8 million had been spent at the end of 1953. The bank's loan will provide the equivalent of \$12 million of the funds required to complete the project; the remaining \$12.7 million will come partly from the funds of the *Draukraftwerke* and partly from the shareholders (the Federal Government, the provinces of Carinthia, Styria, and Lower Austria, and the city of Vienna).

U.S. Director of International Bank

The Senate on July 24 confirmed Andrew N. Overby to be United States Executive Director of the International Bank for Reconstruction and Development for a term of 2 years.

Technical Cooperation Program in Somaliland

The Foreign Operations Administration announced on July 16 that the Italian Government and Foa have established a joint technical cooperation fund to help improve the economy of the Trust Territory of Somaliland under Italian Administration.

The fund, totaling the equivalent of \$1,200,000, will finance a series of technical cooperation projects, mainly in the fields of agriculture, public health, and education. The U.S. contribution will be made in two parts: \$300,000 for the purchase of goods and services in dollars and the equivalent of \$300,000 in Italian lire from part of the proceeds of the sale of U.S. surplus agricultural commodities to Italy. The Italian Government will contribute the equivalent of \$600,000.

The purpose of the fund is to help the people of Somaliland to develop the resources of the territory and encourage the flow of investment capital into the area, with the objective of improving living standards and working conditions of the Somalis.

As the first step in the technical cooperation program, two experts from South Dakota State College—Dean of Agriculture W. W. Worzella

and Dean of Animal Husbandry A. L. Musson—recently arrived in Somaliland to make detailed plans for a livestock improvement program to be carried out by the college over the next 3 years under an Foa contract.

A territory of 194,000 square miles on the east coast of Central Africa, Somaliland, formerly an Italian colony, is administered by Italy under a United Nations trusteeship, pending the attainment of full independence in 1960. The technical cooperation fund is expected to assist Somaliland in its efforts to prepare for independent status.

Eximbank Authorizes Credit for Purchase of U.S. Cotton by Japan

The Export-Import Bank of Washington announced on July 26 that it has authorized a credit of \$60 million in favor of the Bank of Japan to finance the purchase and export to Japan of cotton of United States growth. This is the fourth credit of this type to be authorized in favor of the Bank of Japan since 1951, the total of the four credits amounting to \$200 million. Drafts issued under previous lines have been met promptly and often prior to maturity.

At current market prices approximately 330,000 bales of cotton can be financed by the credit which will be available through July 31, 1955. The cotton will be sold through commercial trade channels and financed by letter of credit.

In recent years, Japan has been the largest market for U.S. export cotton. During the 1953-54 crop year Japan has taken 950,000 bales of U.S. cotton or approximately 25.7 percent of total exports from the United States, which will reach an estimated 3,700,000 bales by July 31, 1954.

Eximbank Announces Loans to Ecuador and Philippines

ADDITIONAL CREDIT FOR QUITO WATER SUPPLY PROJECT

The dollar financing necessary for purchases of U.S. equipment and services to complete a modern citywide water-works system for Quito, the capital city of Ecuador, will be provided by the Export-Import Bank of Washington, according to an announcement on June 30 by the President of the bank, Maj. Gen. Glen E. Edgerton. The bank has increased by \$3,650,000 a line of credit which was first established in 1947 to aid in financing the first stage of the Quito water-supply project.

Quito has been engaged in modernizing and extending its water supply and distribution system

since 1941. After a cutback of activity during World War II, construction and engineering efforts pressed forward with the aid of the Export-Import Bank's credit of \$4,000,000 in 1947. Those funds, along with substantial Ecuadoran financing, have brought the overall project well beyond the halfway point. With the additional financing assured, the Quito water system should be in full operation by the end of 1956.

One of South America's oldest cities, Quito is located at an altitude of nearly 10,000 feet on an Andean plateau. It has been selected as the site for the next Inter-American Conference of Foreign Ministers, which this year was held at Caracas, Venezuela. Completion of a modern water-supply system for the city has become vitally necessary to accommodate an increasing population, now beyond the 200,000 mark, and to meet the demands of developing industry and tourism.

The additional credit extended by the Export-Import Bank will be devoted principally to construction and installation of a water-distribution system. A part of the credit will be used to complete the new water-treatment and purification plant and for new pumping stations. Work will continue under the supervision of a U.S. firm which has designed the new system and supervised most of the construction work to date. The term of the new financing by the bank will be 15 years at an interest rate of 4½ percent. The Export-Import Bank has also financed a substantial portion of the costs of a modern, expanded water-supply system for Ecuador's principal commercial port of Guayaquil. The Guayaquil project, also designed and built under U.S. engineering supervision and primarily with U.S. manufactured equipment and materials, was completed in October 1950.

Since 1942 the bank has authorized 14 loans to the Republic of Ecuador and its agencies and local governmental units. Over \$22 million has been disbursed under these loans, which, like all Eximbank credits, have been for specific purposes or projects. Approximately \$6 million has already been repaid by Ecuador, and repayments on all Ecuador's outstanding obligations to the bank are current. The bank's financing in Ecuador has been chiefly in the fields of transportation and water supply. Bank funds made available to Ecuador have been spent under projects in these fields for large-scale purchases of U.S. capital goods items, including construction equipment, machinery, materials, and supplies of many types from numerous U.S. manufacturers and suppliers. Since the inception of the bank's lending activities in Ecuador, total U.S.-Ecuadoran trade volume has increased from \$15.9 million in 1941, when the war had already cut off many world markets, to \$86.4 million in 1953.

The Ecuadoran Ambassador to the United States, Dr. José R. Chiriboga, who was Mayor of

Quito from 1948 to 1952, expressed his Government's appreciation for the loan assistance being provided by the United States through the Export-Import Bank. He emphasized the economic contribution which soundly conceived and financed projects of this type were making to his country and the continued political ties of friendship evidenced by such assistance. Speaking for the bank, General Edgerton added that the impetus given to Ecuador's productive capacity and purchasing power as a result of projects to which U.S. financial assistance has been extended will mean a great deal in expanding trade and investment opportunities for private capital and to the general economic benefit of both countries.

NEW TYPE OF LOAN TO HELP SMALL BUSINESS IN PHILIPPINES

Establishment by the Export-Import Bank of individual lines of credit to five Philippine banking corporations to enable them to assist small businesses to purchase U.S. machinery, equipment, construction materials, and services was announced on July 6. These lines of credit, aggregating \$3,750,000, were established as a result of discussions with the Governor of the Central Bank of the Philippines under a general authorization of \$5 million for this purpose.

These credits represent a new departure for the Export-Import Bank. They enable the bank, with the active cooperation of commercial banks in the Philippines, to make loans of relatively small amounts for U.S. materials and services required for economically desirable projects.

In the judgment of competent observers of the Philippine scene, economic development there may be greatly assisted by the establishment of small independent industrial units. Selection of the units that are to receive assistance from the Export-Import Bank can be greatly facilitated by the advice of the private commercial banks, the Rehabilitation Finance Corporation, and the Central Bank of the Philippines. These agencies are well informed of the Philippine economy, its potential, and the individuals and firms that are most likely to provide the initiative and guidance that will be the most beneficial to its development.

Individual loans by the Export-Import Bank under each of the newly established lines of credit will be made only upon approval by the Central Bank. Any such loan which is in excess of \$100,000 must be approved also by the Export-Import Bank. In every instance an assurance will be provided by the Central Bank that the funds will be used to purchase U.S. machinery, materials, or services, that the credit will be utilized to assist industrial or agricultural production which would contribute to the economic development of the Philippines, and that the terms of the individual

credits are appropriate to the purposes to be served in each case.

Following recommendations of the Central Bank of the Philippines, the five individual lines of credit established by the Export-Import Bank are in favor of the following:

<i>Institution</i>	<i>Amount of line</i>
China Banking Corporation-----	\$550,000
Equitable Banking Corporation-----	500,000
Philippine Bank of Communications--	500,000
Prudential Bank & Trust Company--	200,000
Rehabilitation Finance Corporation--	2,000,000
	\$3,750,000

The remaining \$1,250,000 provided under the earmark for the Philippines of \$5 million for this type of credit may subsequently be allocated to these or other Philippine lending institutions as circumstances may require.

The individual loans to the Philippine banks by the Export-Import Bank are to be repaid by them, after suitable periods of grace, in semi-annual installments over periods appropriate to the purposes of the several loans. The repayment period will not exceed 10 years from the date of advances under a loan, and it is anticipated that most of the loans will be for much shorter periods. Interest on the principal balances of these loans outstanding from time to time will be paid to the Export-Import Bank semiannually at the rate of 4 percent per annum. The Central Bank also will provide suitable assurances that dollar exchange will be made available for payments of principal and interest to the Export-Import Bank.

This type of credit has a number of desirable features. It will provide dollar financing for a variety of U.S. exports for which financing would not otherwise be available; it will permit the extension of U.S. loan assistance to the smaller Philippine enterprises which are peculiarly well adapted to a developing economy; and it will utilize the practical knowledge of the commercial banks in respect to the specific credit needs and prospects of the foreign enterprises concerned. These loans are evidence not only of the continuing interest of the United States in the sound development of the economy of the Philippines but also of the purpose of the Export-Import Bank to adopt the financing techniques best suited to special needs of international trade in each case in which they arise.

Shipments to Communist-Controlled Area of Indochina

The Bureau of Foreign Commerce of the Department of Commerce announced on July 26 that all outstanding export licenses validated prior to noon of that day had been suspended for the area of Indochina which is Communist-controlled un-

der the Geneva truce agreement and for the temporary Hanoi-Haiphong enclave. In addition, all general-license shipments for these areas, except those of a character permitted to other Communist-controlled destinations, have been revoked.

The Bureau said that export licenses suspended by this action covering shipments to the Hanoi-Haiphong enclave held by the free forces in north Viet-Nam will be considered for revalidation, and, in addition, export licenses will continue to be granted to that area in accordance with the interest of the foreign policy and national security of the United States. Export licenses covering shipments to Cambodia, Laos, and retained Viet-Nam remain in effect, and future applications covering such shipments will be approved if the goods are to remain in these areas and if the shipments are in the interest of the foreign policy and national security of the United States.

Gift Shipments to Prisoners in Communist China

Americans imprisoned in Communist China may be sent gift parcels by their next of kin, or others in the United States directly concerned with their welfare, the Bureau of Foreign Commerce, U.S. Department of Commerce, announced on July 13.

The arrangement for shipping gift packages to imprisoned U.S. nationals was worked out with the cooperation of the Departments of State and Defense and the Post Office following a statement made at Geneva by the Chinese Communists that U.S. prisoners would be permitted to receive such parcels. The embargo against all other shipments of U.S. goods to Communist China remains in effect.

Under the new procedure only about 50 Americans who are actually confined to prisons or under house arrest and who have been identified by the Departments of State or Defense are permitted to receive gift parcels.

In addition, the gift shipments must be authorized by a letter validated by the Bureau of Foreign Commerce which must be presented to the Postmaster for each mailing. These letters have been sent to the legal next of kin or to the religious group of which the prisoner is a member. They may be used by other individuals or organizations for the purpose of sending such parcels on the responsibility and at the discretion of the holder.

Only one parcel a week may be sent to any one prisoner and may include only those items normally sent as gifts, such as food, toilet articles, civilian clothing, and drugs in dosage form, except gamma globulin. The total domestic retail value of all items included in a single package is limited to \$50. If the parcel contains certain sulfonamide, antibiotic, antimalarial, and quinine preparations, their value may not exceed \$25.

The packages must be addressed to the imprisoned U.S. national in care of the National Red Cross Society of China, Peiping, China, and must conform to U.S. Post Office regulations as to size, weight, and permitted contents.

Several New Commodities Placed Under General License

Exporters now may ship several additional commodities to most countries without applying for an individual export license, the Bureau of Foreign Commerce of the U.S. Department of Commerce announced on July 15. The relaxations apply to certain optical instrument glass and blanks; naphtha oil and coal-tar naphtha; and industrial pumps and parts, such as centrifugal, turbine, rotary, and diaphragm.

Individual export licenses will continue to be required for shipments to Hong Kong, Macao, and the Soviet bloc countries. Shipments to other countries may be made under general license GRO without prior application to the Bureau of Foreign Commerce. The Bureau explained that controls were relaxed because these commodities no longer need to be kept on the Positive List for strategic or supply reasons.

Soviet Stand on Disarmament

Statement by Morehead Patterson

*U.S. Representative in the Disarmament Commission*¹

On Friday [July 23], the delegate of the Soviet Union complained at some length that the United States leaders "are concentrated upon a reorganization of the armed forces of that country in the direction of a forced adaptation of land, air, and naval units for the use of atomic and hydrogen weapons."

The United States is adapting its armed forces to nuclear weapons. Does Mr. Tsarapkin wish to leave the impression that the Soviet Union is not doing the same thing?

Under present world conditions we need nuclear weapons to defend ourselves. Why? The world in recent years has witnessed Communist aggression and subversion in China, Korea, Indochina, Tibet, and elsewhere. There is no evidence that the ruling circles of the Soviets have given up in any sense the pursuit of the "Yenan way." Our nuclear weapons, as we pointed out on a number of occasions in London, redress the existing imbalance of power in armed forces and nonatomic

¹ Made in the Commission on July 28 (U.S./U.N. press release 1941).

armaments. In resenting United States atomic strength Mr. Tsarapkin is merely underscoring the point we made last week when I said, "The Soviet Union seeks to establish a code of rules which will confine the weapons to be used in warfare to those where the Soviet Union has superiority."²

They give us no alternative but to make our forces as effective as possible and ready to defend against any aggression. But to Mr. Tsarapkin's charge that the United States is "preparing a new world war," I can only ask in the vernacular, how silly can you get? We say to the Soviet Union, the United States wants peace and comprehensive safeguarded disarmament. Try offering us an honest and up-to-date plan and see what happens. Or try approaching President Eisenhower's December 8 plan honestly and straightforwardly.

Mr. Tsarapkin stated that the western representatives refused to discuss seriously the proposals made in London by the Soviet Union. In making this statement he is taking a terrible chance. For, if it is the wish of the Commission, I should be glad to read here the 55-minute speech which I made in the subcommittee discussing these proposals. Certainly no one wants that. But for those who are interested, it is all in the verbatim records to be considered at leisure.

The Soviet representative alleges that since 1946 the Western Powers and in particular the United States have carried out "a policy of sabotage" (I am using his words) against the Soviet proposals. I have held this statement in front of the Moscow mirror with interesting results. The mirror reveals that "sabotage" in the Soviet vocabulary means disagreement with the Soviet position. The Soviet representative should not attempt to carry that definition into the international field.

Mr. Tsarapkin, after reading the usual Soviet proposals, asked "What goes counter to the opinion of the world in these propositions?" I answer as on other occasions. The peoples of the world will not buy toothless paper promises with no assurances that such promises will ever be observed. The Soviet program is like a book with a table of contents and nothing else but blank pages. We think that world opinion joins us in demanding that they fill these blank pages with carefully prepared and detailed descriptions of the vague chapter headings. We think that world opinion joins us in demanding a program sufficiently precise to give security and safety and freedom from fear.

The conclusion we reached from the subcommittee discussions was that the Soviet Union had no serious desire at this time to negotiate in the United Nations on the subject of disarmament. Nothing has happened in these meetings in New York to alter that conclusion. Our colleague from

New Zealand³ correctly characterized the Soviet attitude with the expression "stony immobility" and concluded that this attitude created an "unbridgeable gap" on the road to disarmament and the control of nuclear weapons. We believe that this reflects the general conclusion of this commission well expressed in the thoughtful statements that the members have made. We regret that we cannot share the optimism of our colleague from France, our distinguished chairman, Mr. Moch, in thinking that he can see in the London talks major points of possible agreement between the disarmament positions of the free world and the Communists. We are afraid that further study will convince him, as it convinces us, that what he seems to see is unfortunately only a Moscow mirage.

Provisional Agenda of Ninth Session of U.N. General Assembly⁴

U.N. doc. A/2667 dated July 23

1. Opening of the session by the Chairman of the delegation of India
2. Minute of silent prayer or meditation
3. Appointment of a Credentials Committee
4. Election of the President
5. Constitution of the Main Committees and election of officers
6. Election of Vice-Presidents
7. Notification by the Secretary-General under Article 12, paragraph 2, of the Charter
8. Adoption of the agenda
9. Opening of the general debate
10. Report of the Secretary-General on the work of the Organization
11. Report of the Security Council
12. Report of the Economic and Social Council
13. Report of the Trusteeship Council
14. Election of three non-permanent members of the Security Council
15. Election of six members of the Economic and Social Council
16. Election of members of the International Court of Justice:
 - (a) Election of a member of the Court to fill the vacancy caused by the death of Sir Benegal Rau
 - (b) Election of five members of the Court
17. The Korean question:
 - (a) Report of the United Nations Commission for the Unification and Rehabilitation of Korea (resolution 376 (V) of 7 October 1950)
 - (b) Report of the United Nations Agent General for Korean Reconstruction (resolution 410 (V) of 1 December 1950)
18. Report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (resolutions 302 (IV) of 8 December 1949 and 720 (VIII) of 27 November 1953)
19. Methods which might be used to maintain and strengthen international peace and security in accordance with the Purposes and Principles of the Charter:

³ Leslie Knox Munro.

⁴ The ninth regular session will convene at United Nations Headquarters, N. Y., on Sept. 21.

² For text of Mr. Patterson's July 20 statement, see BULLETIN of Aug. 2, 1954, p. 171.

- report of the Collective Measures Committee (resolution 703 (VII) of 17 March 1953)
30. Regulation, limitation and balanced reduction of all armed forces and all armaments: report of the Disarmament Commission (resolution 715 (VIII) of 28 November 1953)
 31. Admission of new Members: report of the Committee of Good Offices (resolution 718 (VIII) of 23 October 1953)
 32. Treatment of people of Indian origin in the Union of South Africa: report of the United Nations Good Offices Commission (resolution 719 (VIII) of 11 November 1953)
 33. The question of race conflict in South Africa resulting from the policies of *apartheid* of the Government of the Union of South Africa: report of the United Nations Commission on the Racial Situation in the Union of South Africa (resolution 721 (VIII) of 8 December 1953)
 34. Appointment of members of the Peace Observation Commission (resolution 696 (VII) of 6 November 1952)
 35. Economic development of under-developed countries:
 - (a) Question of the establishment of a special United Nations fund for economic development: summary by the Secretary-General of comments of Governments on the report of the Committee of Nine, report of Mr. Raymond Scheyven and report of the Economic and Social Council (resolution 724 B (VIII) of 7 December 1953)
 - (b) Question of the establishment of an international finance corporation: report of the Economic and Social Council (resolution 724 C I (VIII) of 7 December 1953)
 - (c) International flow of private capital for the economic development of under-developed countries (Economic and Social Council resolution 512 B (XVII) of 30 April 1954)
 - (d) Land reform (Economic and Social Council resolution 512 C I (XVII) of 30 April 1954)
 36. Programmes of technical assistance: report of the Economic and Social Council
 37. Report of the United Nations High Commissioner for Refugees (resolutions 428 (V) of 14 December 1950 and 728 (VIII) of 23 October 1953)
 38. Freedom of information: report of the Economic and Social Council (resolution 736 A (VIII) of 28 November 1953)
 39. Question of organizing an international professional conference to prepare the final text of an International Code of Ethics for the use of information personnel: report of the Secretary-General (resolution 736 B (VIII) of 28 November 1953)
 40. Forced labour: report of the Economic and Social Council (resolution 740 (VIII) of 7 December 1953)
 41. Information from Non-Self-Governing Territories transmitted under Article 73 e of the Charter: reports of the Secretary-General and of the Committee on Information from Non-Self-Governing Territories:
 - (a) Information on economic conditions
 - (b) Information on other conditions
 - (c) Transmission of information
 - (d) Participation of Non-Self-Governing Territories in the work of the Committee on Information from Non-Self-Governing Territories (resolutions 647 (VII) of 10 December 1952 and 744 (VIII) of 27 November 1953)
 42. Cessation of the transmission of information under Article 73 e of the Charter: report of the Committee on Information from Non-Self-Governing Territories (resolutions 222 (III) of 3 November 1948, 448 (V) of 12 December 1950 and 747 (VIII) of 27 November 1953):
 - (a) Communication from the Government of Denmark concerning Greenland
 - (b) Other communications
 33. Election to fill vacancies in the membership of the Committee on Information from Non-Self-Governing Territories (resolution 646 (VII) of 10 December 1952)
 34. Question of South West Africa: report of the *Ad Hoc* Committee on South West Africa (resolution 749 (VIII) of 28 November 1953)
 35. The Togoland unification problem: special report of the Trusteeship Council (resolution 750 (VIII) of 8 December 1953)
 36. Financial reports and accounts, and reports of the Board of Auditors:
 - (a) United Nations, for the financial year ended 31 December 1953
 - (b) United Nations Children's Fund, for the financial year ended 31 December 1953
 - (c) United Nations Relief and Works Agency for Palestine Refugees in the Near East, for the financial year ended 30 June 1954
 - (d) United Nations Korean Reconstruction Agency, for the financial year ended 30 June 1954
 37. Supplementary estimates for the financial year 1954
 38. Budget estimates for the financial year 1955
 39. Appointments to fill vacancies in the membership of subsidiary bodies of the General Assembly:
 - (a) Advisory Committee on Administrative and Budgetary Questions
 - (b) Committee on Contributions
 - (c) Board of Auditors
 - (d) Investments Committee: confirmation of the appointment made by the Secretary-General
 - (e) United Nations Administrative Tribunal
 - (f) United Nations Staff Pension Committee
 40. Headquarters of the United Nations: report of the Secretary-General (resolution 780 (VIII) of 9 December 1953)
 41. Scale of assessment for the apportionment of the expenses of the United Nations: report of the Committee on Contributions (resolution 765 (VIII) of 27 November 1953)
 42. Report of the Negotiating Committee for Extra-Budgetary Funds (resolution 759 (VIII) of 5 October 1953)
 43. Administrative and budgetary co-ordination between the United Nations and the specialized agencies: reports of the Advisory Committee on Administrative and Budgetary Questions
 44. Review of audit procedures of the United Nations and the specialized agencies: reports of the Secretary-General and of the Advisory Committee on Administrative and Budgetary Questions (resolution 768 (VIII) of 27 November 1953)
 45. Audit reports relating to expenditure by specialized agencies of technical assistance funds allocated from the Special Account (resolution 519 A (VI) of 12 January 1952)
 46. United Nations Joint Staff Pension Fund:
 - (a) Annual report of the United Nations Joint Staff Pension Board
 - (b) Acceptance by the specialized agencies of the jurisdiction of the United Nations Administrative Tribunal in matters involving applications alleging non-observance of the regulations of the United Nations Joint Staff Pension Fund: report of the Secretary-General (resolution 771 (VIII) of 27 November 1953)
 - (c) Admission of staff members of the Interim Commission for the International Trade Organization to membership in the United Nations Joint Staff

Pension Fund: report of the United Nations Joint Staff Pension Board (resolution 773 (VIII) of 27 November 1953)

- (d) Revision of the administrative rules of the United Nations Joint Staff Pension Fund: report of the United Nations Joint Staff Pension Board
47. System of allowances to members of commissions, committees and other subsidiary bodies of the General Assembly or other organs of the United Nations: reports of the Secretary-General and of the Advisory Committee on Administrative and Budgetary Questions (resolution 775 (VIII) of 27 November 1953)
 48. Awards of compensation made by the United Nations Administrative Tribunal: advisory opinion of the International Court of Justice (resolution 785 A (VIII) of 9 December 1953)
 49. Report of the International Law Commission on the work of its sixth session
 50. International criminal jurisdiction: report of the 1953 Committee on International Criminal Jurisdiction (resolution 687 (VII) of 5 December 1952)
 51. Question of defining aggression: report of the Special Committee on the Question of Defining Aggression (resolution 688 (VII) of 20 December 1952)
 52. The future of the Trust Territory of Togoland under United Kingdom Trusteeship: item proposed by the United Kingdom of Great Britain and Northern Ireland
 53. Organization of the Secretariat: item proposed by the Secretary-General
 54. Personnel policy of the United Nations: item proposed by the Secretary-General

U.S. Delegations to International Conferences

International Scientific Radio Union

The Department of State announced on July 27 (press release 408) that the United States Government will be represented at the Eleventh General Assembly of the International Scientific Radio Union at The Hague, Netherlands, August 23 to September 2 by the following delegates:

- Arthur H. Waynick, D.Sc., *Chairman* of the delegation, professor and head, Electrical Engineering Department, Pennsylvania State University, State College, Pa.
- Charles R. Burrows, Ph.D., director, School of Electrical Engineering, Cornell University, Ithaca, N. Y.
- J. Howard Dellinger, Ph.D., 3900 Connecticut Avenue NW., Washington, D. C.
- William E. Gordon, School of Electrical Engineering, Cornell University, Ithaca, N. Y.
- Harry W. Wells, Upper Atmosphere Section, Carnegie Institution of Washington, Washington, D. C.

The International Scientific Radio Union is affiliated with the International Council of Scientific Unions. Since its organization in 1919, it has been developing, on an international basis, scientific studies and programs pertaining to radio-electricity and related subjects and bringing together, in its biennial assemblies, the scientists who are responsible for the research underlying the spectacular advances in electronics, radar, television, and other applications of radio principles and techniques. Its aims are to promote

international cooperation in the scientific study of radio, to encourage and aid in the organization of radio research requiring cooperation on a large scale, to promote the establishment of common methods and standards of radio measurement, and to encourage and aid in the discussion and dissemination of the results of these activities.

The International Scientific Radio Union has an active National Committee in each of its 23 member states. These committees, organized and sponsored in each country by the National Research Council or a corresponding body, hold scientific meetings and have active working committees.

At the Assembly there will be general sessions for the discussion of papers, meetings of the specialized commissions for the review of the work in various fields, and business meetings.

Third Inter-American Indian Conference

The Department of State announced on July 28 (press release 411) that the U.S. delegation to the Third Inter-American Indian Conference at La Paz, Bolivia, August 2-12, 1954, will be headed by Alex Jacome of Tucson, Ariz. Mr. Jacome is a business and civic leader in Tucson and has been actively concerned with the problems of the Indians for several years.

The Chairman will be assisted by the following delegation:

Delegates

Newton Edwards, Staff Assistant to the Assistant Secretary for Public Land Management, Department of the Interior

T. Dale Stewart, Ph. D., Division of Physical Anthropology, Smithsonian Institution

Advisers

Thomas Hart, Ph. D., U.S. Operating Mission, Foreign Operations Administration, La Paz

Edward J. Rowell, American Embassy, La Paz

The Third Inter-American Indian Conference is being convened in compliance with article II of the convention establishing the Conference and the Inter-American Indian Institute, approved at Patzcuaro, Michoacan, Mexico, on April 24, 1940, and a resolution adopted at the Second Inter-American Indian Conference, held at Cuzco, Peru, in 1949, which selected Bolivia as the site of the Third Conference. On May 26, 1941, the United States Senate gave its advice and consent to the convention, and it was ratified by the President on June 6, 1941. The Council of the Organization of American States, on May 5, 1954, designated the Inter-American Indian Conference as a specialized conference of that organization. This series of conferences is designed to promote exchange of information on how best the Indian may make a fuller contribution to the respective national economies.

Agenda items include (1) geographical distri-

bution of Indians in the Americas; (2) demography of the present-day American Indian population; (3) economic life of the American Indians; (4) family life of the American Indians; (5) political, juridical, and military life of the American Indians; and (6) cultural life of the American Indians.

U.S. Authors To Attend Congress of Writers

The Department announced on July 29 (press release 414) that William Faulkner, novelist, and Robert Frost, poet, have accepted invitations from the Brazilian Writers Organizing Committee to attend the International Congress of Writers in São Paulo, Brazil, from August 9 to 21. The Congress, to be held in connection with the fourth centennial festivities of the city of São Paulo, will be attended by eminent writers and critics from various countries whose intellectual qualities and literary reputations are internationally recognized.

Mr. Faulkner will leave his home at Oxford, Miss., for Brazil on August 6 and will remain in São Paulo until approximately August 16. Mr. Frost will leave from New York on August 8 and expects to return to that city on August 23. He will give a reading of his poems in Rio de Janeiro before proceeding to São Paulo. Both Mr. Faulkner and Mr. Frost have also received invitations from the Department of State to participate in the Writers Congress under the International Educational Exchange Program.

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¹ Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N. Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

Economic Development of Under-Developed Countries. Special United Nations Fund for Economic Development. Comments of Governments on the Report of the Committee of Nine, submitted in accordance with General Assembly resolution 724 B (VIII). A/2646/Add.1. May 25, 1954. 17 pp. mimeo.

Secretariat

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Security Council

Letter Dated 5 May 1954 from the Representative of Israel Addressed to the President of the Security Council. S/3210. May 6, 1954. 4 pp. mimeo.

Summary Statement by the Secretary-General on Matters of Which the Security Council is Seized and on the Stage Reached in Their Consideration. S/3211. May 10, 1954. 3 pp. mimeo.

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Letter Dated 7 June 1954 from the Permanent Representative of Syria Addressed to the President of the Security Council. S/3225. June 7, 1954. 2 pp. mimeo.

Letter Dated 19 July 1954 from the Permanent Representative of Syria to the President of the Security Council. S/3269, July 19, 1954. 2 pp. mimeo.

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Cablegram Dated 19 June 1954 from the Minister for External Relations of Guatemala Addressed to the President of the Security Council. Cablegram dated 20 June 1954 sent by the Secretary-General to all Member States; replies from Costa Rica, Nicaragua, Chile, Honduras, Venezuela, Israel, Brazil, Yemen, Ecuador. S/3255, June 29, 1954. 4 pp. mimeo.

Cablegram Dated 1 July 1954 from the Acting Minister for Foreign Affairs of the Hashemite Kingdom of the Jordan Addressed to the Secretary-General. S/3258, July 2, 1954. 1 p. mimeo.

Letter Dated 1 July 1954 from the Representative of Israel Addressed to the President of the Security Council. S/3259, July 2, 1954. 3 pp. mimeo.

TREATY INFORMATION

U.S.-Libyan Negotiations

Press release 398 dated July 22

Negotiations between the Government of the United States and the Government of the United Kingdom of Libya have been concluded successfully during talks in Washington between a Libyan delegation headed by the Prime Minister, Mustafa ben Halim, and U.S. officials. A United States-Libyan base rights agreement has been completed in all matters of substance. The formal agreement will be signed in Libya after the return of the Prime Minister and will then be presented to the Libyan Parliament for approval.

The Prime Minister's visit to Washington was also the occasion for very satisfactory talks on other problems of mutual interest, including Libya's economic development and the means of strengthening the friendship already existing between the two countries.

Current Actions

MULTILATERAL

Automotive Traffic

Convention concerning customs facilities for touring. Concluded at New York June 4, 1954; open for signature until December 31, 1954. Enters into force ninety days after deposit of the fifteenth instrument of ratification or accession.

Signatures:

United States	Honduras
Argentina	Italy
Austria	Mexico
Belgium	Monaco
Cambodia	Netherlands
Ceylon	Panama
Costa Rica	Philippines
Cuba	Portugal
Dominican Republic	Spain
Ecuador	Sweden
Egypt	Switzerland
France	United Kingdom
Germany	Uruguay
Guatemala	Vatican City
Haiti	

Customs convention on the temporary importation of road vehicles. Concluded at New York June 4, 1954; open for signature until December 31, 1954. Enters into force ninety days after deposit of the fifteenth instrument of ratification or accession.

Signatures:

United States	Belgium
Argentina	Cambodia
Austria	Ceylon

Costa Rica
Cuba
Dominican Republic
Ecuador
Egypt
France
Germany
Guatemala
Haiti
Honduras
India
Italy

Mexico
Monaco
Netherlands
Panama
Philippines
Portugal
Spain
Sweden
Switzerland
United Kingdom
Uruguay
Vatican City

Commodities—Sugar

International sugar agreement. Done at London under date of October 1, 1953.

Accession deposited: Canada, June 29, 1954.

Ratification deposited: Germany, July 12, 1954.

External Debts—Germany

Agreement on German external debts. Signed at London February 27, 1953. Entered into force September 10, 1953. TIAS 2792.

Ratification deposited: Luxembourg, June 29, 1954.

North Atlantic Treaty

Agreement between the parties to the North Atlantic Treaty regarding the status of their forces. Signed at London June 19, 1951. TIAS 2846.

Adherence deposited: Greece, July 26, 1954.

Agreement on the status of the North Atlantic Treaty Organization, national representatives and international staff. Signed at Ottawa September 20, 1951. TIAS 2992.

Ratification deposited: Luxembourg, July 23, 1954.

Protocol on the status of international military headquarters set up pursuant to the North Atlantic Treaty. Signed at Paris August 28, 1952. TIAS 2978.

Ratifications deposited: Greece, July 26, 1954; Luxembourg, July 23, 1954.

BILATERAL

Afghanistan

Agreement relating to duty-free entry and defrayment of inland transportation charges on relief supplies and packages for Afghanistan. Effected by exchange of notes at Kabul April 29 and May 29, 1954. Entered into force May 29, 1954.

Belgium

Agreement relating to offshore procurement, with exchange of notes. Signed at Brussels September 2, 1953. Entered into force: July 22, 1954 (the date of receipt by the United States of the ratification of the agreement by Belgium).

Agreement relating to the off-shore procurement standard contracts. Effected by exchange of notes at Brussels November 19, 1953.

Entered into force: July 22, 1954 (the date on which the agreement of September 2, 1953, relating to off-shore procurement entered into force).

Bolivia

Agreement relating to duty-free entry and defrayment of inland transportation charges on relief supplies and packages for Bolivia. Effected by exchange of notes at La Paz June 3 and 16, 1954. Entered into force June 16, 1954.

Germany

Convention for the avoidance of double taxation with respect to taxes on income. Signed at Washington July 22, 1954. Enters into force upon the exchange of instruments of ratification.

Agreement relating to the exemption of United States airline companies from certain German taxes. Effected by exchange of notes at Washington July 22, 1954. Entered into force July 22, 1954; operative from July 1, 1950. To continue in force until the income tax convention with Germany signed on July 22, 1954, enters into force.

Luxembourg

Memorandum of understanding relating to the disposal of redistributable and excess property furnished in connection with the mutual defense assistance program,

with related notes. Signed at Luxembourg July 7, 1954. Entered into force July 7, 1954.

Mexico

Agreement amending general agreement for technical cooperation dated June 27, 1951 (TIAS 2273), to provide anti-attachment assurances. Effected by exchange of notes at Mexico April 13, 1954. Entered into force April 13, 1954.

Spain

Agreement amending the air transport agreement of December 2, 1944 (58 Stat. 1473), as amended (TIAS 2131, 2132, and 2140). Effected by exchange of notes at Washington July 21, 1954. Entered into force July 21, 1954.

Proposed Increase in Duty-Free Allowance on Purchases by U.S. Tourists

*Statement by Samuel W. Anderson
Assistant Secretary of Commerce¹*

The Department of Commerce has a statutory responsibility to foster, promote, and develop the foreign and domestic commerce of the United States. It is because of this responsibility that I appear to represent the Department's views endorsing H. R. 8352, a bill

To increase the amount of articles acquired abroad by residents of the United States which may be brought into the country without payment of duty.

The effect of enactment of this bill would be to increase from \$500 to \$1,000 the value of articles acquired abroad which may be brought into this country duty free by United States residents if they have been abroad for a period of not less than 12 days and have not claimed that privilege within 6 months.

The importance to our domestic economy of a high level of multilateral trade needs no elaboration. Many of our important industries ship such a high proportion of their output to foreign countries that they could not exist without these exports. At the same time we have long recognized, through our foreign-aid programs, that our national security is at least partially dependent on the continued ability of our friends abroad to obtain our goods and services. They need and

want products and services from us in greater quantity than they are able to pay for.

Expenditures abroad by United States tourists are one of the major sources of dollars for many countries. American citizens spent about \$1.3 billion for foreign travel in 1953, of which \$1.1 billion was spent within foreign countries or paid to foreign steamships or airlines. This was enough to pay for nearly 7 percent of our exports to them in that year.

Even though this is now such an important item in our balance of international payments, various estimates have indicated our foreign travel expenditures could be double their present level. Such estimates consider the fact that while consumer incomes have increased greatly above their prewar level, relatively less is spent on foreign travel. To increase this item to its potential relative importance in our international trade accounts would require appropriate additional efforts, particularly on the part of foreign governments and business.

Possibilities for assisting in promoting trade through promotion of travel by the United States Government are relatively more limited. This increases the importance of taking any step—such as that contemplated in the present bill—which would contribute to the development of travel.

The President and the Congress have at various times reemphasized the importance of promoting

¹ Made before the Ways and Means Committee of the House of Representatives on July 21.

United States travel abroad as an integral part of our foreign economic policy. The Department of Commerce considers the promotion of travel, primarily by cooperating with the industries concerned and with other Government agencies in stimulating self-help on the part of foreign countries, as an integral part of its statutory function of fostering and developing the foreign and domestic commerce.

So much for the general policy objectives which afford a background for consideration of this bill. In brief, measures which would result in encouraging more travel by more United States citizens or in increasing the amount of their individual expenditures in other countries would, in turn, enable these countries to purchase more United States goods. The benefits of such an increase in foreign travel would therefore be a factor not only in the size of our foreign aid programs and the amount of taxes levied on all our citizens to pay for them. Such increase would also be of direct benefit to our travel industry (transportation companies, hotels, travel agents, etc.) as well as of indirect benefit to United States firms, factories, farms, labor, and other interests which would be affected by an increase in exports and the accompanying increase in employment, production, and consumption.

Benefits of Bill

The Department of Commerce believes that H. R. 8352 contributes to these objectives in several ways:

It is believed that the greatest single long-term effect of this bill, if enacted, would be the important influence which it would have in stimulating additional and more important actions on the part of foreign countries. The United States constantly tries to encourage and persuade other countries to increase their own earning potential from this important source by reducing travel barriers, increasing accommodations, lowering costs, and in other ways to earn more through their own efforts, particularly toward building a larger market by bringing travel within the reach of more people in lower income groups. As I have indicated, the steps which we can take, either unilaterally or on a reciprocal basis, to directly encourage our own citizens to go abroad are extremely limited.

The step contemplated by this bill would therefore probably be received abroad as an earnest of our continuing intentions to do all we can, as a more important step than it is likely to prove. I am sure that our own efforts at persuading foreign countries to take unilateral (or joint foreign) action in their own behalf would be strengthened.

Of secondary importance, in our opinion, are the increased expenditures—and dollar earnings of foreign countries—which might be expected to result directly from the incentive offered our trav-

elers in the form of an additional allowance of \$500 in the value of products purchased abroad which they may bring back duty free.

Some increase would be expected as a result of this direct encouragement offered by our Government, or as a result of foreign actions to improve tourist conditions which might be encouraged by passage of this bill. Cumulatively these increases would contribute dollar earnings of substantial importance to the countries visited—relatively of much more importance to them than would be a similar amount to us. The U.S. and the world economy would benefit accordingly.

However, there is little reason to expect drastic changes either in the pattern or the average of individual expenditures as a result of this measure.

Unfortunately data are not available as to the type or quantity of products which U.S. travelers have been purchasing abroad and to which this increased customs exemption would apply. It is therefore impossible to present any approximate indication of magnitude of the influence which this measure would have in increasing either total dollar expenditures abroad or expenditures for any particular commodity.

However, I do have with me a table compiled from data collected by our Office of Business Economics primarily for the purpose of measuring the influence of travel on our balance of international payments.²

The table shows, for the European and Mediterranean areas combined, the total number of U.S. travelers, their total expenditures, and the average expenditures for each. These expenditure figures include payments not only for all retail purchases abroad (which we are unable to separate out), but also for accommodations, food, and other disbursements for the cost of living and entertainment abroad. They do not include transoceanic transportation paid to either U.S. or foreign carriers. It is obvious from the items included in these overall expenditure figures that expenses other than retail purchases which would be subject to the provisions of this bill account for a major part of the average expenditures per person shown.

As the table indicates, expenditures for all the enumerated purposes averaged \$718 per person in 1947. This was the last complete travel year before the duty-free allowance on items purchased abroad was raised from \$100 to \$400 in 1948, and subsequently, in 1949, to the present level of \$500. In succeeding years the average expenditures rose only from \$740 in 1949 to \$767 in 1952. (This was also a period of increasing income in the United States.)

It is evident that consumer retail purchases of U.S. travelers abroad average below the \$500 duty-free limit now in effect. It is also apparent that

² Not printed.

any increase in them which may have occurred since 1949 (even discounting any possible increase in cost of accommodations, food, and other items abroad which are included in the figures given) was far below the increase in duty-free allowance from \$100 to \$500 in this period.

Since large numbers of travelers were obviously unable or unwilling to make purchases up to their \$500 limit, even larger numbers would be unable or unwilling to purchase up to a \$1,000 limit.

Hence the conclusion that drastic changes are unlikely to occur if this bill is passed. On the other hand, there are U.S. travelers who can afford to purchase more, and it is probable that a significant number may be encouraged to do so through this measure and others which could be taken by foreign governments.

While it is impossible to estimate its quantitative importance, a third and direct benefit resulting from passage of this bill is worth considering. That is the important part which U.S. citizens traveling abroad play in the process of introducing new products or introducing old products to new consumers.

Products closely identified in the traveler's mind with the country in which he is traveling exercise a unique appeal. Such products do not have the same appeal to him as a purchaser outside their country of origin. There are purchases also of products not readily available at retail in all parts of the United States, or available only in limited quantities or sales outlets, or at such high prices that they are not widely distributed or purchased in the United States. However, their introduction through sales to a traveler abroad, and eventually to his circle of acquaintances, may be responsible for a long term trend in the increased distribution of imported products. Pay for these imports also, of course, eventually returns to us in the form of payment for our exports of goods and services.

Reactions of Business Groups

It is evident from the positions taken by various business groups on this measure that all of them expect it to have some influence in increasing expenditures of U.S. travelers abroad. The Department of Commerce is informed that a considerable number have indicated their approval of the proposed increase in duty-free allowance on products purchased abroad by U.S. travelers.

These include: the National Association of Travel Organizations, Crowell-Collier Publishing Company, Trans World Airlines, Pan American World Airways, Curtis Publishing Company, American Express Company, American Society of Travel Agents, American Export Lines, the U.S. Council of the International Chamber of Commerce, and the National Foreign Trade Council.

The Department is also aware that opposition has been expressed by some, including the National Council of American Importers, and by some merchants contiguous to the borders who fear the effects of increased across-the-border purchasing by American vacationers in Canada and Mexico.

The data previously cited as to expenditures abroad by American travelers do not provide a basis for analysis of quantities of specific products purchased abroad, nor for a conclusion that adverse effects may be experienced by any particular segment of the U.S. economy because of increased purchases abroad by travelers as a result of enactment of this bill. Adverse effects, if any, in actual sales lost by importers and merchants handling the same products in the United States would be diluted in importance by being spread over the many communities in the United States to which the travelers return and of which they comprise such a small part of the consuming public.

The Department of Commerce believes that the passage of H.R. 8352 would have a stimulating effect on both foreign travel and international trade and that the foreseeable benefits to the economy as a whole outweigh any possibility of disadvantages. It accordingly recommends enactment of H.R. 8352.

Mutual Security Funds for Southeast Asia

Following is the text of a letter from Secretary Dulles to Senator Alexander Wiley:¹

JULY 22, 1954.

The Honorable ALEXANDER WILEY,
United States Senate.

DEAR SENATOR WILEY: You have asked me whether in my judgment the signing of armistice agreements regarding Indochina diminishes the need for funds requested for the area of southeast Asia and the western Pacific in the Mutual Security legislation now before the Congress.

I believe that the armistice does not diminish the need for these funds. If anything it increases the need to have available funds with which to build the defensive capabilities and strengthen the resistance of the free nations in the area. When I appeared before the Foreign Relations Committee during the hearings on this legislation and discussed the need for funds in this area, the possibility of a settlement of the nature which has now taken place was already foreshadowed. As you will recall, when I testified as to the importance of having a flexible fund to build strength in this region, I emphasized the need for it even should such a settlement occur and I believe this

¹ Reprinted from *Cong. Rec.* of July 29, 1954, p. 11918.

was also held in mind by members of your committee. In my estimation, the gain which communism has now established in this area should be a warning to all the people of the region as well as to ourselves of a need for a determined effort to preserve their freedom. I believe no one can now foresee exactly how these funds will be used. However, their availability will be essential for the success of plans now underway. In the event that unforeseen circumstances prevent the efficient expenditure of these funds for the purposes of strengthening the area against further Communist encroachment, they will of course be held unexpended for future disposition by the Congress.

For these reasons I believe it is a matter of grave importance to the national interest that these funds be available and I trust that the Congress will see fit to authorize and appropriate them.

Sincerely yours,

JOHN FOSTER DULLES.

Current Legislation on Foreign Policy: 83d Congress, 2d Session

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Implementation of the International Convention for the High Seas Fisheries of the North Pacific Ocean. Report to accompany S. 3713. S. Rept. 1806, July 14, 1954. 7 pp.

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414	7/29	Congress of Writers.
*415	7/29	Micocci designation.
*416	7/29	Educational exchange.
417	7/31	Smith: Telecast on Asia.

*Not printed.

† Held for a later issue of the BULLETIN.



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Vol. XXXI, No. 790

August 16, 1954



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The Department of State bulletin

VOL. XXXI, No. 790 • PUBLICATION 5564

August 16, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
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Washington 25, D.C.

PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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Recent Developments in Atomic Energy

by Lewis L. Strauss

Chairman, Atomic Energy Commission¹

Two objectives of our national policy with respect to atomic energy are: improvement of the general welfare and increase in the standard of living. In general terms, these two objectives are similar and may be dealt with as one topic. Although it has been less than 12 years since the power of the atom was harnessed within a nuclear reactor, we have already made tremendous progress in research and development in connection with agriculture, chemistry, metallurgy, biology, medicine, and other areas of science and industry. Additionally, we have seen significant advances in new fundamental knowledge, and I am confident that new discoveries will appear, fully as important as those we have already witnessed, and that they will further enrich the lives of all of us. We are not yet at high noon of the atomic age—only at the first glimmer of its dawning.

My time this morning only permits mentioning these areas. The temptation to describe several of them in detail simply has to be resisted. There is one program, however, of a special appeal to me, about which I would like to tell you something briefly. I refer to the attack on that terrible scourge of our generation—cancer. The Atomic Energy Commission is vigorously promoting research along three lines:

One, we distribute radioactive isotopes, at cost or less, to hundreds of hospitals, medical schools, and clinics. For example, in nearly all Veterans' Hospitals, radioactive isotopes are used to detect and locate brain tumors and cancerous conditions prior to X-ray treatment or surgery.

Two, we give grants-in-aid to cancer research projects on the advice of a distinguished panel of physicians.

Three, we have established four of our own clinical facilities for cancer research, the newest and

largest of which is the Argonne Cancer Research Hospital in Chicago. This facility, which cost about \$4 million, is the largest ever built for the purpose.

To illustrate the scientific progress we have fostered in medicine and surgery, I have brought here a complete portable X-ray unit. It is about the size of a quart can and weighs about 20 pounds. It was developed in our Argonne Laboratory, and it can be used in place of a one-hundred-thousand-volt X-ray machine for diagnostic purposes. This device will do approximately the same job as a conventional X-ray machine many times its size and weight. This device needs no outside source of power and, therefore, can be used on the battlefield, in first aid stations, and the like. It also very probably has interesting industrial applications.

Similarly, we are aiding medical research to find new tools with which to attack heart disease, arthritis, and other chronic illnesses that are the cause of so much human suffering. The benefits would be incalculable if cancer or one of these other dread diseases could be conquered—certainly no one could put a dollar value on such an achievement. We are on the way to these goals.

The peacetime uses of atomic energy are not being directed toward medicine and industry to the exclusion of other fields of application where benefits are both needed and feasible. As examples, we are actively assisting research in animal husbandry and in experimental programs to improve fertilizers and insecticides, to maintain soil fertility, and to increase the yield of food crops.

The industrial field of usefulness of radioisotopes is expanding so rapidly that this development alone may ultimately justify the billions we have already spent on atomic energy. Ordinary stable elements like sodium, cobalt, copper, and iron, after exposure to neutron bombardment in a reactor, are full of unstable atoms which give off radiation at precise rates. The energy emanating from these atoms can be detected, traced, and measured wherever it occurs. The Commission has furnished to industry more than 150 varieties

¹ Excerpts from an address made before the Veterans of Foreign Wars of the United States at Philadelphia, Pa., on Aug. 5; released to the press on the same date by the Atomic Energy Commission.

of these versatile isotopes, and they are now being used in some 860 privately supported research laboratories and factories.

These tracer atoms are being used more and more in general industry for process control, in the petroleum industry for tracing the transfer of oils through pipelines, and for measuring the wear of such things as piston rings. In larger quantities, they are used as radiation sources for thickness gauging, for detecting flaws in castings, and in literally dozens of other uses that are now bringing substantial dollar savings to American industry. For example, one company saved approximately \$100,000 last year by this new technique. Another company reported that certain tests cost them only some \$35,000 by using radioisotopes, which by conventional methods would have cost \$1 million—and would have taken years instead of weeks to complete. The uses of isotopes are increasing from month to month; last year over 12,000 shipments of isotopes were made from Oak Ridge.

Among the peaceful uses of atomic energy, the development of nuclear power has been second only to the weapons program. By nuclear power I mean using the great heat generated in atomic fission to make steam, which is then used in turbo-generators to make electricity. Our first success in this field was in December 1951, when we proved that the heat generated in a reactor could be taken out safely and used to produce electric power. A somewhat different type of reactor was built and put into successful operation in February 1953. In each case, the amount of power produced was not commercial. But only a few months later, in the summer of last year, the first full-sized nuclear power plant was completed and turned on at full power. This reactor was the prototype of the one now installed in the first nuclear-powered submarine, the *Nautilus*.

The amount of power in the *Nautilus* is classified information, but you will readily understand that any modern submarine capable of operating with the fleet at sea must have reliable power, and lots of it.

Our next big step was the signing of a contract with the Duquesne Light Company, successful bidder for the construction and operation of a 60,000-kilowatt commercial plant. It is to be built near Pittsburgh, and its cost will be shared between the company and the Commission on a basis very favorable to the Government.

The Atomic Energy Commission is now undertaking a comprehensive 5-year program for nuclear power which will cost approximately \$200 million. Under this program, five different experimental power plants will be built, each embodying a different technological approach. Because of their small size and experimental nature, none of these is expected to produce economically competitive electric power. Even the most ardent supporters of nuclear power do not see it as a

replacement for conventional sources of energy in the immediate future. Some engineer-economists foresee that by 1960—only 6 years from now—perhaps 10 percent of the new power plants on the drawing boards will have specifications for nuclear reactors, instead of coal, oil, or gas-fired boilers. These same experts say that by 1980 perhaps half of the new plants will use fissionable materials as fuel. However, I think these forecasts are too conservative.

"Strengthen Free Competition in Private Enterprise"

Another objective in our national atomic energy policy is the "development, use and control of atomic energy directed so as to strengthen free competition in private enterprise." That is a non-partisan statement, written into law originally by a Democratic Congress in 1946 and approved this year by a Republican Congress.

Naturally, the question has already arisen as to who should own and who should operate the nuclear power plants that may be built in increasing numbers in the next two or three decades.

At present, the atomic energy industry is Government-owned. This departure from the normal pattern of industrial enterprise in our country was not undertaken with intent to alter our institutions. It was deemed necessary to cope with the unique and unfamiliar characteristics of atomic energy in 1946 and because its products went almost entirely into our military arsenals. The 1946 Atomic Energy Act specifically envisaged that as experience was gained, the law should be modified by amendment. Continuance of complete Government ownership into the period of major peacetime applications of atomic energy, involving as it would a basic change in the fundamental roles of Government and of private citizens, could produce a change in our society more radical than any that might result from the technical novelty of nuclear power.

To conform to our national policy "to strengthen free competition in private enterprise," I believe that nuclear power as it becomes economically attractive should be integrated into the existing power economy of the nation; that nuclear power should be produced and distributed by the private and existing public power systems, and not by the Atomic Energy Commission.

The potentialities of atomic energy involve problems of control which call for an unusual degree of Federal participation. Nevertheless, I am confident that the inescapable restrictions and safeguards which society must impose on the utilization of atomic energy can be made consistent with freedom of initiative for private industry. I also believe that the special problems of atomic energy can be solved without risk to security or safety, without unfair advantage to any group

and in harmony with the proper relationships between our Government and its citizens.

I believe that completely fair licenses and contracts between the Commission and privately owned companies can be negotiated, under which the enormous costs of future research, development, and construction for nuclear power plants will not fall mainly on the shoulders of the taxpayers. I can assure you that, in all negotiations and dealings with private industry, the interest of the public will be fully protected by the present Atomic Energy Commission and its employees in offices, research laboratories, and operating plants throughout the country. There is also the Joint Atomic Energy Committee of the Congress—composed of men well versed in our work, and by law required to be kept fully and currently informed concerning it. They are now and will no doubt continue to be vigilant guardians of the public interest. You know, of course, that among the members of this Committee is Capt. James E. Van Zandt, three times Commander-in-Chief of your organization, now a distinguished member of Congress from Pennsylvania.

My comments about nuclear power have been confined to the prospects for its development in our own country. However, in many other nations the need for supplementary fuel is more urgent than here.

The growing need for power generation, together with the rising demand for fuel for transportation and industry, is putting more and more pressure on the energy resources of many nations. Among consuming nations able to meet less than one-half of their consumption of coal and oil from sources within their own borders are Italy, Portugal, Greece, Norway, Sweden, Denmark, Finland, Argentina, Algeria, French Morocco, Ceylon, and Pakistan. In view of the potential importance of nuclear power as a supplementary worldwide source of energy, the progress of the United States in our development program can be significant for other nations as well as for ourselves.

"To Promote World Peace"

It was faith in the feasibility of the reduction of atomic weapons, and their ultimate abolition, that moved President Eisenhower, last December, to propose before the General Assembly of the United Nations the establishment of an international agency to receive contributions of normal uranium and fissionable materials from nations, including the Soviets, able to make such contributions. The International Atomic Energy Agency, which he proposed, would be set up to use these materials to bring the benign forces of the atom

to the service of men everywhere and nuclear energy to the power-starved areas of the world. Let me quote from the President's speech for his words deserve to be heard over and over again:

The United States would seek more than the mere reduction or elimination of atomic materials for military purposes.

It is not enough to take this weapon out of the hands of the soldiers. It must be put into the hands of those who will know how to strip its military casing and adapt it to the arts of peace.

The United States knows that if the fearful trend of atomic military buildup can be reversed, this greatest of destructive forces can be developed into a great boon, for the benefit of all mankind.

The United States knows that peaceful power from atomic energy is no dream of the future. That capability, already proved, is here—now—today. Who can doubt, if the entire body of the world's scientists and engineers had adequate amounts of fissionable material with which to test and develop their ideas, that this capability would rapidly be transformed into universal, efficient, and economic usage.

The President's proposal was simple and straightforward. The international agency he envisaged can demonstrate to the world that atomic energy can be used to raise the standards of living in other nations as well as in the United States.

Since December, private diplomatic conversations with other nations have been carried on by our Government. The attitude of Soviet Russia is not encouraging, but this is not surprising in the light of the dismal record of efforts to reach agreements with that Government since 1945. Nevertheless, President Eisenhower has not in any way abandoned hope for the eventual acceptance of his proposal. Only yesterday at his press conference he reaffirmed his resolution to press forward with or without Soviet participation.

Against the sombre background of the world situation as it appears today I would like to conclude these remarks with a personal statement of faith—

I deeply believe that the Creator did not intend man to evolve through the ages up to this point, only now to devise something to be used solely for the destruction of life on this earth. On the contrary, I have an abiding faith that Providence intends that the release of the energy in the atom, through the instrumentality of man's efforts and genius, should be used to promote peace on earth and good will among men. Had I not always firmly believed that the beneficent applications of atomic energy would transcend the temporary destructive uses of it, I could not have taken my small part in this momentous development. I leave you with the hope that you share this faith in the unfolding of our destiny.

Agreement Between Iran and International Oil Consortium

On August 5 the Government of Iran and the International Consortium representing eight oil companies agreed in principle on an arrangement which will restore the flow of Iranian oil to world markets. Printed below are texts of a letter from President Eisenhower to Mohammad Reza Shah Pahlavi, Shahinshah of Iran; a statement by Secretary Dulles; a message from Secretary Dulles to Prime Minister Fazlollah Zahedi and Foreign Minister Abdollah Entezam of Iran; and other messages and statements concerning the agreement.

PRESIDENT'S LETTER TO SHAHINSHAH OF IRAN

White House press release dated August 5

YOUR IMPERIAL MAJESTY: The important news that your Government, in negotiation with the British, French, Dutch and United States oil companies, has reached, in principle, a fair and equitable settlement to the difficult oil problem is indeed gratifying.

Your Majesty must take great satisfaction at the success of this significant phase in the negotiations to which you personally have made a valuable contribution. I am confident that implementation of this agreement, under Your Majesty's leadership, will mark the beginning of a new era of economic progress and stability for your country.

Like myself, all Americans have a deep concern for the well-being of Iran. With them I have watched closely your courageous efforts, your steadfastness over the past difficult years, and with them I too have hoped that you might achieve the goals you so earnestly desire. The attainment of an oil settlement along the lines which have been announced should be a significant step in the direction of the realization of your aspirations for your people.

There is concrete evidence of the friendship that exists between our two countries and of our de-

sire that Iran prosper independently in the family of free nations. We have endeavored to be helpful in the form of economic and technical assistance and we are happy to have helped in finding a solution to the oil problem.

I can assure Your Majesty of the continued friendly interest of the United States in the welfare and progress of Iran, and of the admiration of the American people for your enlightened leadership.

With sincere best wishes for the health and happiness of Your Majesty and the people of Iran,
Sincerely,

DWIGHT D. EISENHOWER

STATEMENT BY SECRETARY DULLES

Press release 421 dated August 5

It is with great pleasure that I have learned that the Iranian Government and members of the International Oil Consortium negotiating in Tehran have agreed to the principles under which they will cooperate to resume the production and refining of Iranian oil. I also understand that parallel talks taking place between Iran and the United Kingdom concerning compensation have resulted in a settlement satisfactory to both sides.

Detailed agreements must still be drawn up and will have to be approved by the boards of the several companies and by the Iranian Parliament. However, the United States is extremely pleased that another significant step has been achieved in the direction of a solution to a problem which has for several years worked hardships on Iran, Great Britain, and, indeed, upon the free world as a whole.

Every member of the community of free nations stands to gain from the settlement of this issue between two of its members which has in the past operated as an irritant among countries which have so much in common and so much to gain from close friendship and collaboration.

The atmosphere reflecting the goodwill of all parties which has prevailed throughout the negotiations has been most gratifying. The results which have been announced in Tehran demonstrate again that, when goodwill exists and people strive earnestly and realistically, a way can always be found with honor and with fairness to overcome differences.

Five American companies have joined with the Anglo-Iranian Oil Company and with Dutch and French firms in this undertaking with the Government of Iran. Participation of these companies with Iran in this great enterprise will make it possible for Iranian oil in substantial quantities to begin to flow to markets almost immediately upon the conclusion of the final agreement. Iran will within a few years regain a position as one of the world's largest oil producing countries.

The United States is particularly pleased that the revenues which will be derived by Iran under this agreement will provide means for our friends in that country to carry out a long-range development program which, under the leadership of His Imperial Majesty the Shah, has been designed to improve the welfare of the Iranian nation as a whole. The signature of the agreement should mark the beginning of a new era for Iran—an era of great hope and of prosperity.

American interest in Iran and in Iranian progress has been demonstrated in many ways in the past. It is our intention to continue to demonstrate in practical ways that friendly interest.

SECRETARY DULLES TO PRIME MINISTER AND FOREIGN MINISTER OF IRAN

Press release 422 dated August 5

I wish to extend my heartiest congratulations on the agreement which you have reached with the international negotiation team. I am convinced that this settlement, based upon the principles which have been announced, will represent a satisfactory and entirely equitable arrangement in which all parties concerned will be sharing responsibility and benefit. The signing of an agreement in principle when ratified will mean immediate resumption of Iran's great oil industry to the consequent advantage of the people of Iran.

I am pleased that our Government was in a position to lend its assistance in resolving this intricate problem, and I am particularly pleased at the statesmanship which was demonstrated by the negotiators on all sides.

I am happy that Iran will be able, as soon as operation of its oil industry is resumed, to carry forward its program of economic and social betterment and that its people will play an ever increasing part in the maintenance of peace and security in the Middle East.

STATEMENT BY LOY W. HENDERSON U.S. AMBASSADOR TO IRAN

Press release 423 dated August 5

The news contained in the joint statement issued today by Dr. Ali Amini, Iranian Minister of Finance, and Mr. Howard Page, representing the consortium companies, should bring joy to the heart of every true friend of Iran. The agreement which they have announced represents, in my opinion, a long step in the direction of the realization of the aspirations of the Iranian people. When an oil settlement is finally achieved along lines indicated in the joint statement, when Iranian oil once more flows in large quantities to the markets of the world, and when Iran begins to receive substantial revenues from its oil resources, the Iranian people should be in a better position than heretofore in recent times to develop their country in a way which will assure them a future in keeping with their glorious past.

From my intimate acquaintance with the course of these protracted negotiations, I am convinced that they would not have been successful if the participants had not been animated by sentiments of lofty patriotism and had not approached their task of finding an agreement in a constructive and statesmanlike spirit.

MESSAGES OF SECRETARY DULLES AND BRITISH FOREIGN SECRETARY EDEN

Press release 424 dated August 5

Secretary Dulles to Foreign Secretary Eden

On behalf of my Government I wish to express to you my deep appreciation for the part played by the British Government in the successful conclusion of the oil negotiations in Iran. I regard this agreement as a milestone from which point our governments and that of Iran will be able to take further constructive steps to advance our mutual interests in the area.

It is a source of great personal satisfaction to me that a solution has been found to this difficult problem. It augurs well for further close and friendly cooperation of the countries concerned.

Foreign Secretary Eden to Secretary Dulles

I thank you for the message which you addressed to me on behalf of the United States Government in connection with the conclusion of the oil negotiations in Persia. Her Majesty's Government also believe that this agreement will lead to a renewal of friendly cooperation with Persia to the great advantage of all concerned. Allow me to thank you for the generous help which the United States Government have given in the negotiations, and, in particular, for the unfailing cooperation of Mr. Henderson, the United States Ambassador in Tehran.

**LETTER FROM SECRETARY DULLES
TO HERBERT HOOVER, JR.**

Press release 428 dated August 7

AUGUST 6, 1954

DEAR HERBERT: The events of the past few days, indicating a happy conclusion to the Iranian oil controversy, make it appropriate for me to express my appreciation for the fine work you have done since agreeing, at a personal sacrifice, to become my Consultant last September. The fact that, thanks in large part to your efforts, one of the thorniest problems of the free world, one which so recently seemed almost insoluble, now appears well on the way to a satisfactory solution is ample reason why I should be grateful.

You have gained, I am happy to say, the wholehearted respect and admiration of the Foreign Service and the Department of State. Your tact and patience were of inestimable value in bringing about an understanding among parties with widely divergent viewpoints, while your wide experience in commerce enabled you to gain the support of some of the world's outstanding business enterprises in the working out of a problem in which their participation was essential.

My appreciation is but a small part of that which is your due. I hope that you will find satisfaction in knowing that the interests of the United States and the free world will benefit from your accomplishments.

Sincerely yours,

JOHN FOSTER DULLES

Mr. HERBERT HOOVER, JR.
*Consultant to the Secretary
Department of State
Washington, D. C.*

**MESSAGE FROM SECRETARY DULLES
TO AMBASSADOR HENDERSON**

Press release 430 dated August 7

Now that a settlement of the Iranian oil controversy has been reached, I would like to express my continuing admiration for the work you have done since becoming Ambassador to Iran. Your major role in bringing about this settlement speaks for itself. As the principal point of contact between the British, the Iranians and the oil companies your success in bringing these widely divergent parties together would seem an impossible achievement to those not acquainted with your splendid record in the service of the United States.

I know the loyal and effective help you have had from your staff, and I ask that you convey to those concerned my highest appreciation for the significant contribution they have made to this settlement.

**JOINT STATEMENT
BY GOVERNMENT OF IRAN AND
OIL CONSORTIUM¹**

Dr. Ali Amini, Chairman of the Iranian delegation, and Mr. Howard Page, chairman of the negotiating group, representing the consortium companies, jointly issue the following statement in connection with the current oil discussions:

The Iranian Government, the National Iranian Oil Company and the negotiators representing a consortium of 8 oil companies have reached accord on necessary points of an agreement which will restore the flow of Iranian oil to world markets in substantial quantities. An essential part of the consortium agreement was settlement of the question of compensation to Anglo-Iranian Oil Company. A separate announcement has been made in this respect.

The agreement must now be put into proper legal form, approved by the Board of Directors of the participating companies, and signed by the parties concerned. It will then be submitted for enactment as part of the law of Iran and for formal approval of the Shah. It is estimated that these requirements can be concluded in about two months, after which large volumes of Iranian oil will once again be loaded at Iran's great oil ports at Abadan and Bandar Mashur bound for the consuming and refining centers of the world. In the interim period, preparations for resumption of activities will commence.

Two operating companies will be formed to operate the oil fields and refinery. These companies will receive the necessary rights and powers from the government and the National Iranian Oil Company and exercise them on their behalf to the extent specified in the agreement. The consortium companies will pay the National Iranian Oil Company for all the oil required for export and sell the crude and products exported. Provision is made for the National Iranian Oil Company to take crude oil in kind, in lieu of payments, up to 12½ percent of total exports. Products for consumption within Iran will be available to the National Iranian Oil Company at substantially their cost. The agreement covers a period of 25 years, with provisions for three 5-year extensions.

Through payments to National Iranian Oil Company and application of Iranian tax laws it has been estimated that total direct income to Iran from increased scale of operations for the first 3 full years, following a starting up period of 3 months, will be 150 million pounds on the basis of present prices and costs. The estimated figures begin at 31 million pounds for the first full year of operation, increasing to 67 million pounds for the third.

The National Iranian Oil Company will continue to operate the Naft-I-Shah oil field and

¹ Issued at Tehran on Aug. 5.

Kermanshah refinery to produce a part of Iran's own oil needs, and will continue to handle the distribution of oil products in Iran.

The National Iranian Oil Company will also be responsible for all facilities and services not directly a part of producing, refining and transportation operations of the operating companies. These will include such functions as industrial training, public transport, road maintenance and facilities such as housing, medical care and social welfare. The National Iranian Oil Company will be reimbursed for a major part of the cost of such facilities and services by the operating companies, with whom close cooperation will be maintained.

Production of crude oil from Iran, following starting up period of three months, will be increased progressively, bringing total exports of crude and products to a minimum of eighty million cubic meters (78 million tons; 500 million barrels) for the first three year period. In addition some five million cubic meters will be produced for internal consumption. Following the third year it would be the policy of the consortium companies to continue taking quantities of crude oil which would reasonably reflect the supply and demand trend for Middle East crude oil, assuming favorable operating and economic conditions in Iran.

Large scale operations at the Abadan refinery will be resumed as quickly as possible. It is expected that, again following the initial period of three months a total of nearly 35 million cubic meters (30 million tons; 220 million barrels) of crude will be processed for export during the first three years of operation. Of this, some 15 million cubic meters (13 million tons; 94 million barrels) will be processed during the last three years, a rate which will once again establish Abadan's output as the largest in the Eastern Hemisphere, despite sharp increases in refinery capacity in that area during the last three years.

The two operating companies will be organized by the consortium and will carry on operations in Iran within a specified area. One of the companies will deal primarily with exploration and production, the other with refining. The companies will be registered in Iran and have their management and operating headquarters there. They will be incorporated under the laws of the Netherlands. There will be seven directors of each company, two of whom will be named by Iran and five by the consortium. Operating data and records of the companies will be available to Iran and the National Iranian Oil Company.

The consortium is expected to consist of the Gulf Oil Corporation, Socony Vacuum Oil Company Incorporated, Standard Oil (New Jersey), Standard Oil Company California, the Texas Company, the Anglo-Iranian Oil Company, Compagnie Française de Pétroles and Royal Dutch/Shell.

STATEMENT BY HOWARD PAGE, CHAIRMAN OF THE INTERNATIONAL CONSORTIUM²

We are very glad to be able to say that we have now agreed with the representatives of the Iranian Government and the National Iranian Oil Company on all necessary points of an arrangement under which Iran will resume a place among the principal oil producing nations. We must now return to report to our respective companies. Several of us will return here soon, however, to consult with the latter who will be working out details of the necessary formal texts.

Before returning here, I will stop in London for a few days to join in discussions which will be going on between the companies in the consortium who must now conclude a separate agreement among themselves covering their participation. They will also formalize the status of the consortium by the establishment of a company there to handle its necessary corporate functions.

This arrangement is unique, and there have been many particularly difficult questions to settle. We believe they have been resolved in good spirit and with fairness to both sides. I want particularly to express my respect to Dr. Amini who was a brilliant, capable and tough negotiator. He and his colleagues have squeezed the maximum benefit for Iran out of every point. They have been fair at all times, though, and we have maintained good humor even at the most difficult times.

The companies represented here have approached our problems at all times in a sincere desire to find acceptable answers. In many cases they have submerged their individual interests, at a time when both crude oil production and refinery capacity are at potentials greater, on a worldwide scale, than present market requirements, in order to make it possible for Iran to restore to its economy the benefits of its oil industry.

The basis has been laid here, in a friendly and cooperative spirit, for a long-term relationship which we believe is equitable and constructive for both sides. All of us hope sincerely that this agreement will contribute durably to the economy and security of Iran and the other nations affected.

U.S.-Egyptian Reclamation Project

A new demonstration project of the Egypt-American Rural Improvement Service will reclaim thousands of acres of land in Egypt's Fayoum Province for settlement by landless families, the Foreign Operations Administration announced on July 22. It is expected that 2,000 families will be settled on 13,000 acres in the Qoota area reclaimed through irrigation. Existing irri-

² Issued at Tehran on Aug. 5. Mr. Page is vice president of the Standard Oil Company of New Jersey.

gation works will be improved, and new drains, pumping stations, and canals will be constructed.

The United States will contribute \$230,440 to the total project cost of \$576,100, and the Egyptian Government will contribute the equivalent of \$345,660 in local currency. The project, like others sponsored by the Egypt-American Rural Improvement Service, is of twofold value: It will be useful in itself in relieving overcrowding on the land, and it will serve as a pilot project for additional undertakings of a similar kind by the Egyptian Government.

The Egypt-American Rural Improvement Service, known as EARIS, is a jointly staffed and controlled cooperative service with a working capital of \$25 million—\$10 million contributed by the U.S. and the equivalent of \$15 million contributed by the Government of Egypt. Money for the Qoota project will come from this development fund.

The EARIS program takes account of the fact that Egypt is a land of many farmers and comparatively little usable farm land. Six million acres lying in a narrow strip of land along the Nile serve 22 million people. The country's prime need is for additional farm land on which the landless fellahin (peasants) may be settled.

Settlement of Suez Controversy

Following are the texts of messages exchanged by Secretary Dulles and Foreign Secretary Anthony Eden of the United Kingdom, and by Secretary Dulles and Egypt's Prime Minister Gamal Abdel Nasser and Foreign Minister Mahmoud Fawzi, on the occasion of the agreement reached on July 28 between the United Kingdom and Egypt.¹

Press release 419 dated August 3

Secretary Dulles to Mr. Eden

I wish to extend my heartiest congratulations on the Agreement which you have reached with the Egyptian Government over the Suez Base. It is in keeping with the best British tradition to effect statesmanlike adjustments to changing world conditions.

I feel confident that this Agreement will be beneficial both to the United Kingdom and to Egypt and will create an atmosphere of friendliness in the area.

Mr. Eden to Secretary Dulles

I am very grateful for your kind message of congratulations about the agreement we have

¹ BULLETIN of Aug. 9, 1954, p. 198.

reached with Egypt over the Suez Canal Base, and for the part which you and the United States Government have played in helping an agreement to be reached.

I too believe that the agreement will make a real contribution both to the establishment of new relations of friendship between my country and Egypt and to the stability of the Middle East as a whole.

Secretary Dulles to the Prime Minister and Foreign Minister of Egypt

I wish to send my sincerest congratulations on the Agreement which you have reached with the United Kingdom over the Suez Base. I realize what an important day this constitutes in the history of modern Egypt and the pleasure with which it will be hailed by the Egyptian people. With the conclusion of this Agreement coming as it does after the Sudan settlement, your Government and the British Government have established a remarkable record in the solution of difficult international problems.

I am sure that this settlement will establish the foundation for even closer collaboration between our countries on the problems affecting the Near Eastern area, and in the long run the Agreement will produce greater stability and defensive strength in the area.

Prime Minister Nasser's Reply

I wish to thank you most sincerely for your kind message of congratulation which was conveyed to me by His Excellency Ambassador Jefferson Caffery on the occasion of the Suez Base agreement with the United Kingdom.

Egypt is confident that this agreement will start a new era of closer cooperation with the United States as well as with all other friendly countries.

I am grateful for the help and assistance of the leaders and the Government of the United States in bringing about this agreement.

Foreign Minister Fawzi's Reply

I have received with sincere gratitude the kind message of congratulations you sent me with His Excellency Ambassador Jefferson Caffery.

As a starting point in a new era of Egypt's redoubled cooperation with all friendly countries, Egypt welcomes the agreement with the United Kingdom on the Suez Base question. And in this connection, we will always recall with appreciation, the patient, wise and helpful support of the leaders and Government of the United States of America in reaching this agreement.

The Communist Effort in Guatemala

by Willard L. Beaulac
Ambassador to Chile¹

Communism tries to disturb the economic life of all countries. Paradoxical as it may sound, Communism feeds on food shortages. Communist prospects improve as the economic prospects of a country deteriorate. Hence the Communist passion for causing trouble.

All of us know something of what has just happened in Guatemala. The friends of communism in Guatemala say that the American Republics have been intervening in Guatemala. The Communists never say what they really mean. What they mean in the case of Guatemala is that Russia could be free to intervene there without interference from anyone. The Communists point out that Guatemala is a tiny country, and they allege that she has been attacked by more powerful neighbors. The truth is, of course, that the only attack against Guatemala has been made by the Communists.

Guatemala is, of course, not a Communist country. It never has been Communist, and I am sure that it never will be that. No country, we all know, has ever become Communist of its own volition. Even in Russia the Communists are a small minority who rule by force and by terrorism.

When Colonel Arbenz was elected President of Guatemala, following the assassination of the rival candidate, he was not a Communist. Many allege that he is not a Communist now, that he merely surrendered Guatemala to the Communists. Only four members of the Guatemalan Congress were Communists. Not long ago the leading Communist in Guatemala was defeated in his campaign for election as Mayor of Guatemala City. Among the staunchest anti-Communists in Guatemala are the market women. I have seen them and talked to them and I know they would never have anything to do with communism.

It is clear, then, that the Guatemalan people are overwhelmingly anti-Communist. And still the Government was delivered over to the Com-

munists. The presidencies of the most important committees in the Congress were given to the Communists. All the important agencies in the Government were turned over to the Communists. The cabinet was a mere technical body with no real authority. The country was governed by a Communist Cominform, no member of which was elected by the Guatemalan people. There was a steady stream of Communist officials and party leaders traveling between Guatemala City and Moscow. Russian intervention in Guatemala was a fact. It was in the light of this intervention and the threat that it posed for all the American Republics that a consultative meeting of Ministers of Foreign Affairs was convoked.

Archbishop's Letter

In an unforgettable pastoral letter not long ago the Archbishop of Guatemala denounced Communist intervention. He said, among other things:

En 1946, en carta colectiva de todo el Episcopado de Guatemala, dimos la voz de alerta de que el comunismo estaba a las puertas de nuestra patria, y no sólo no se nos quiso oír, sino que mientras se cerraban las puertas a los ministros de culto católico, se abrían de par en par nuestras fronteras a una chusma de aventureros internacionales fogueados en las tácticas comunistas que impuso la Tercera Internacional y, violando las leyes de Guatemala, se dió amplia libertad a quienes en principio y por consigna tienen como misión fundamental atentar contra la seguridad de las naciones y descristianizar el alma del pueblo. Y empezó una sorda campaña contra la unidad nacional, y se llegó hasta sembrar hondas divisiones y odios irreconciliables entre los mismos obreros que por consecuencia de tan nefasta doctrina obedecen a Moscú, y los otros que antes que nada son guatemaltecos y católicos.

Por las radiodifusoras oficiales se escuchó la incesante prédica disociadora, los ataques a la Iglesia, los insultos a sus Ministros y las proclamas de todas las consignas políticas del Politburó soviético; se vieron los puestos de revistas abarrotados de literatura comunista, y aún los planteles docentes fueron cátedras de prédica comunista de parte de maestros mercenarios; y todo esto pasaba impunemente, mientras las células comunistas seguían multiplicándose activamente . . . La propaganda comunista ha llegado ya hasta los últimos rincones de Guatemala y ha dejado sembrada en muchos lugares su

¹Address made before the American Chamber of Commerce, Santiago, Chile, on July 6.

funesta simiente, que ha germinado con sangre de nuestros hermanos guatemaltecos.

[In 1946, in a circular letter to all the dioceses of Guatemala, we warned that communism was at the doors of our country, and not only were we unheard, but at the same time the doors were closed to the ministers of the Catholic Church, our frontiers were opened wide to a group of foreign adventurers steeped in Communist tactics who initiated the Third International, and, violating the laws of Guatemala, full freedom was given to those who, in principle and by assignment, have as a fundamental mission to act against the security of the nations and to de-Christianize the soul of the people. And there began a quiet campaign against the national unity which sowed deep divisions and irreconcilable hates among the workers who, as a result of this ominous doctrine, obey Moscow, and among others who are, above all, Guatemalans and Catholics.]

Over the official radio one heard incessantly divisionist lectures, attacks on the Church, insults to its ministers, and proclamations by all the appointed politicians of the Soviet Politburo; one saw bookstands overstocked with Communist literature; and even the educational institutions were centers for Communist lectures by paid teachers; and all this occurred with impunity, while Communist cells continued multiplying actively. . . . Communist propaganda has now reached every corner of Guatemala and has left planted in many places its sinister seeds, which have germinated with the blood of our Guatemalan brothers.]

I don't think that anyone but a Communist would allege that the Archbishop of Guatemala lies. And still there are Christians, or men who say they are Christians, who act as though the Archbishop of Guatemala were not telling the truth. We see them marching side by side with men who make a career of defending those who persecuted Cardinal Mindzenty, scores of bishops, thousands of Catholic priests and nuns, and uncounted numbers of the faithful. These persons who are not Communists, but who work with the Communists, must from time to time ask themselves how they ever got in such strange country.

Dupes and Demagogues

Who are these people who call themselves Christians and who work for the Communists? Some of them, of course, are dupes. They are simple-minded people who know no better and who will never know any better. Now it isn't so easy to be tolerant with the second class—the demagogues—those who parrot the Communist line, knowing it to be false, because the Communists have convinced them that that is what the people want to hear.

The demagogues show their scorn for the people whom they profess to respect by lying to them just as the Communists do. By lying to them they betray them. They think that by doing these things they are advancing their own political futures. But I would suggest that these demagogues beware. If God should so forsake their countries as to permit the Communists some day to come into power, these demagogues who call themselves democrats would be the first to be

purged by their Communist masters. They would be the first to be sent to some New World Siberia, or perhaps even to the Old World Siberia, or to meet violent death at the hands of those whose cause they now serve.

These men who call themselves Christians are slow to talk against Russia, which has tortured and assassinated millions of human beings and enslaved other millions; but they are quick to talk against the United States, which is the free world's principal bulwark against communism, as though it were the United States and not Russia which menaced freedom everywhere. In their hearts these men must know that never in the history of the world has a state so powerful as the United States lived in such peaceful and cooperative relationship with its less powerful neighbors.

The Communists and their dupes, and the demagogues who follow their line, pretend that the problem of Guatemala is not communism, but the United Fruit Company. This is a typical Communist device that is so clear that it should not deceive anyone. These people claimed that the United States was trying to intervene in Guatemala because the Guatemalan Government had expropriated certain Fruit Company lands. It is cynical indeed that talk of intervention should come from the servants of a government that is intervening in every country of the world, including the United States and Chile!

The Government of the United States made the same diplomatic representation with respect to the United Fruit Company that it would make for any American enterprise anywhere, and which any government would make for an enterprise of its nationals abroad. The Government of the United States offered to submit the United Fruit Company case to international arbitration. The Communist-dominated Government of Guatemala did not even reply to that offer. It even pretended that the offer was never made.

I say these things not to defend the United Fruit Company but to defend the truth. Unless we defend the truth as strongly as the Communists defend evil, we cannot depend on the truth to keep us free.

It is fair to tell the people in given circumstances that their ills are due to ignorance; to lack of social consciousness on the part of certain sectors; to inequities in our tax systems; to measures which stifle production and trade; to egotism, thoughtlessness, and selfishness; to interference by the Communists; to deception by the demagogue. But I do not believe it is fair to say that they are due to the international policies of the Government of the United States, or to the policy of the American Republics acting in concert.

The case of the Communists in Guatemala has demonstrated clearly the danger to our freedom which results when thousands of Communists and fellow travelers in all the American Republics coordinate and combine to spread their careful

vised lies, while only a handful of non-Communists take the trouble to find out and tell the truth. The cure for this danger is for decent men to work

as hard to tell the truth as the Communists and their fellow travelers work to spread their lies. That, it seems to me, is the lesson of Guatemala.

The Guatemalan Communist Party

The Department of State on August 7 released a document entitled "Penetration of the Political Institutions of Guatemala by the International Communist Movement." It contains information prepared by the United States for presentation to the Meeting of Consultation of the Foreign Ministers of the American Republics convoked under the Inter-American Treaty of Reciprocal Assistance for Rio de Janeiro on July 7 and later postponed sine die.

Reprinted below is a summary of an analysis of the Guatemalan Communist Party which appears in the document as annex B.

The *Partido Guatemalteco del Trabajo* (the Guatemalan Labor Party—PGR), a Communist party modeled on and guided by the Soviet Communist Party, is the most influential single political organization in present-day Guatemala. Its influence on Guatemalan political life is probably greater than that exercised in any other Latin American country by any local Communist party. The characteristics of its growth and successes provide perhaps the most revealing insight into the adaptation of international Communist strategy to the Latin American environment.

The PGR is a party of young *ladino*¹ "intellectuals" of the lower middle class. Its founders and present leaders are young schoolteachers, ex-university students, journalists, white collar workers, and former employees of United States and foreign enterprises in Guatemala. This was the sector of society most frustrated under the archaic social structure of Guatemala, a small Central American state of some 3,000,000 inhabitants which until after World War II remained a backward, dictator-ridden agricultural country where 90 percent of the landholdings covered 70 percent of the arable land, and over half the population consisted of illiterate Indians living apart from the main currents of twentieth century life.

¹ A *ladino* in Guatemala is a person who has adopted European cultural standards (e. g. Western dress) and may be racially a pure Indian as well as a person of mixed blood.

In the intellectually fermenting years of the 1930's and of World War II, many of these intellectuals became attracted to nationalism and Marxism as offering a way out for Guatemala.

The mold of the Guatemalan Communist movement was the 1944 Revolution and the 1945-51 administration of President Juan José Arévalo, a self-proclaimed "spiritual socialist" schoolteacher. The Revolution, which overthrew the last vestiges of the 13-year regime of General Jorge Ubico, originally had the support of all of the middle classes, but its leading element was the lower middle class intellectual group which sought to apply their nationalist and Marxist theories to bring about Guatemala's social transformation. Conscious of inexperience, they relied heavily for direction in labor and political organization on foreigners and Guatemalan exiles who had been involved in Communist activities in Latin America and who flocked to Guatemala after the 1944 Revolution, largely unnoticed by the outside world. These Communist personalities, including such figures as Alfonso Solórzano, a Guatemalan labor lawyer closely associated with Vicente Lombardo Toledano in Mexico, and Miguel Marmol, a Salvadoran labor organizer, educated a younger generation of native Guatemalan "intellectuals" in Communist doctrine by such devices as establishing an indoctrination school in the new national labor federation, disseminating Communist propaganda in the Administration's "revolutionary" political parties, and establishing Marxist "study groups."

Guatemala's post-war Communist party crystallized as a clandestine organization hidden within the Guatemalan "revolutionary" parties and labor unions supporting the Arévalo Administration. According to its present leaders, it was first successfully founded on September 28, 1947, under the name of the *Vanguardia Democrática* as the precursor of the Guatemalan Communist Party which held its first congress two years later. Its leader from 1948 onward was José Manuel Fortuny, then a 32-year-old ex-law student, former radio newscaster, and ex-employee of the British

Legation and of an American company, Sterling Products Inc. At the time, he was ostensibly an officer of the *Partido Acción Revolucionara* (PAR), a leading Administration party. Other probable members of the first clandestine Communist organization were also members of the PAR, the other Administration parties, and the labor unions. On September 28, 1949, a day from which the present Communist party dates its anniversaries, this secret Communist group held its First Party Congress and adopted the name of *Partido Comunista de Guatemala* (Pcg). But it was not until May 1950, in the last year of the Arévalo Administration, that Fortuny and his group withdrew from the PAR. The following month they founded a newspaper *Octubre* as the frank precursor of an open Communist party, and at the same time Victor Manuel Gutiérrez, a 29-year-old schoolteacher turned labor leader, founded a Communist-line party under the title of the *Partido Revolucionario Obrero de Guatemala* (The Revolutionary Workers Party of Guatemala—Prog).

When Colonel Jacobo Arbenz, a radical leftist-nationalist Army officer, assumed the Presidency on March 15, 1951, the Pcg began to make rapid strides toward becoming an open party. In April, Fortuny began publicly signing documents as "Secretary General of the *Partido Comunista de Guatemala*." In June, on the first anniversary of the newspaper "*Octubre*," the Pcg held a public ceremony attended by several high government figures and proclaimed its intention to become a legally registered party. In October, Guatemala's labor unions were consolidated into the *Confederación General de Trabajadores de Guatemala* (CGTG) with Gutiérrez, by that time an avowed Communist, as its Secretary General. In January 1952, after a trip to Moscow, Gutiérrez dissolved his Prog and joined the Pcg, which shortly thereafter achieved recognition in the *Cominform Journal* published in Bucharest. In October, the party was included with the other Administration parties in the "Democratic Electoral Front" for the impending Congressional elections. In December, the party held its Second Party Congress, changed its name to the *Partido Guatemalteco del Trabajo* (Pgr), and was shortly thereafter entered on the Civil Registry as a legally constituted political party.

The Pgr, as it thus emerged, is a Communist party modeled on the Soviet Communist Party of the Stalinist era. Its statutes concentrate power in the hands of the Secretary General and the Political Committee whose dictates are binding on subordinate regional party organizations and cells (Basic Organizations) which are scattered through most of Guatemala with the heaviest concentration in the capital.

Statistics on party membership have never been made public, but the best evidence in the spring of 1954 indicates that 3,000 would be a minimum and 4,000 a likely figure. In addition to registered

Pgr members, however, there is an indeterminate number of influential intellectual Communists who have apparently not joined Fortuny's Pgr and sometimes appear to be quarreling with it on organizational and tactical grounds though not on ultimate objectives.

The Pgr leadership, headed by Fortuny as party Secretary General, consists of characteristically young *ladinos* of the lower middle class. The known ages of the eleven-man Political Committee range from Fortuny's 37 to 24, with the exception of one member who is 47. Seven of the eleven were university students or schoolteachers (some with sidelines in journalism or office work) before entering politics, while the remaining four were skilled workers including a printer, a carpenter and a tailor. There are no pure Indians and none who have been previously employed in industry or transportation.

The party leadership is closely tied to Moscow. Fortuny and at least five others of the eleven or the Political Committee have visited Moscow, and the key personnel of the Communist-controlled labor and "mass" organizations have also been there. There is a constant flow of propaganda material and instructions from Moscow and from the Soviet-controlled international labor and "mass" organizations to Guatemala.

The Pgr publicly recognizes its debt to what it terms the "example" of the Soviet Communist Party, and its aims and tactics must be viewed in the framework of the orthodox Communist thesis of the "inevitable victory" of communism throughout the world rather than on the local plane of gaining control of the Guatemalan Government as quickly as possible. In international affairs, the party has emphasized as its first task the "Peace" campaign, which is defined as preventing the harnessing of Guatemala to the "war chariot of imperialism"—i. e. preventing Guatemala from taking its role in the defense of the Western democratic community grouped around the United States. As the corollary in domestic Guatemalan politics, the Pgr has announced as its first task the implementation of Guatemala's 1952 Agrarian Reform Law which is designed to transfer much of the country's potential arable land to new small farmers, and as its second the heightening of the struggle against United States "monopolistic" companies operating in Guatemala. These domestic programs tend toward the breakdown of the established order and are thus simultaneously adapted to the immediate objective of weakening Guatemala's position in the Western community and the ultimate objective of preparing the ground for the Communists' coming to power.

The Pgr leadership attempts to achieve its objectives largely through indirect influence and control over government agencies, political and labor organizations and Communist front youth, students' and women's pressure groups. In the gov

ment, as illustrated by its 1951-54 growth, the party's chief asset is the sympathy of President Arbenz, with whose approval key government posts are filled with party workers and sympathizers. A key instrument is the "National Democratic Front", the formal alliance of the political parties and labor organizations supporting Arbenz, which is dominated by the Communists and has all but replaced the Cabinet as a policy making agency. The National Agrarian Department is the stronghold of avowed PGR members; the government educational and propaganda systems have been infiltrated with numbers of Communists; and the Guatemalan Institute of Social Security with its large cash income is dominated by Solórzano and his group.

The PGR's ability to influence the government is greatly enhanced by its control and influence over organized Guatemalan labor which takes in well over 100,000 workers as compared to a total vote in the 1950 presidential elections of 415,000. In the CERG, the Secretary General is Gutiérrez, head of the PGR Central Committee's Labor Union Commission. Most of the officers in key positions on the Executive Committee are PGR members, and the party's control of the organization is effective. To a somewhat lesser extent, the PGR exerts influence over the *Confederación Nacional Campesina de Guatemala* (CNCG), the national federation of small farmers, tenants, and those organized farm laborers not incorporated in the CERG. Its principal leaders have been associated with such Communist causes as the "Peace" movement, and its program is closely in line with those of the PGR. The principal "mass" organizations which support the party's efforts are the National Peace Committee, whose Secretary General is Mario Silva Jonama, Secretary of the PGR and head of its Education Commission; the *Alianza de la Juventud Democrática de Guatemala* (AJDG), the youth organization whose Secretary General is Edelberto Torres Rivas, a 1953 visitor to Moscow, and one of whose most influential leaders is Huerto Alvarado, member of the PGR Central Committee and head of its Youth Commission; and the *Alianza Femenina Guatemalteca* (AFG), the women's organization whose Secretary General is Dora Franco y Franco, a Communist, and one of whose founding members was Sra. de Arbenz. These organizations, with the aid of the Administration parties and the labor unions, have recently set themselves a goal of 125,000 signatures on a "Peace" petition, thus giving an indication of their ability to simulate "mass support" for Communist causes.

The PGR has thus become in 1954 the most influential single organization in Guatemalan political life, and has established its dominion over the key institutions in Guatemalan political life, with the exception of the Armed forces, which, however, have not opposed communism. The momentum it has achieved indicates further successes

unless there is a change in the world situation or a successful but unforeseeable revolt by the Guatemalan Army or some other group. The party still has a few weaknesses: It still relies to a great extent on the good will of the Guatemalan President and his replacement by one less sympathetic to communism would be a serious blow; it is still faced to some extent with the danger that the Guatemalan Revolution will turn into opportunist un-Communist channels, since the indoctrination of most of the current sympathizers outside of the Party is only superficial; and in the last analysis it is dependent on the international Communist movement for guidance and cohesion and probably could not long survive a major Soviet setback. However, the PGR has the salient advantage that it alone has the political initiative with the Administration parties tending increasingly to follow in its ideological wake, while the opposition has for the past 18 months increasingly become sterile and ineffectual. Moreover, the path of Agrarian Reform and extreme nationalism on which the Arbenz Administration has hurried has been directed at breaking down the existing order without an immediate substitute, a situation which cannot but enhance the Communist position.

President Urges State Committees To Aid Refugee Resettlement

White House press release dated August 7

On August 7, the first anniversary of the Refugee Relief Act, President Eisenhower asked the Nation's governors to organize local committees to help stimulate the immigration and resettlement of 190,000 victims of Communist persecution, military action, or natural disaster. New York State has already created such committees.

This legislation, urged by the President, became law a year ago, on August 7, 1953.¹ Issuance of visas in volume under the law was begun April 1, and since then more than 8,000 visas have been issued in Italy, Greece, Germany, Austria, the Netherlands, and Japan.

Certain Italian, Greek, and Dutch citizens come to the United States under the Refugee Program under sponsorship of close relatives already here, but 190,000 refugees must be beneficiaries of assurances provided by American citizens that they will have jobs and housing and will not become a public charge. More than 14,000 such assurances have now been obtained, largely through the efforts of private organizations which are cooperating voluntarily in the program.

¹ For articles on the Refugee Relief Program by Frank L. Auerbach see "The Refugee Relief Act of 1953," *BULLETIN* of Aug. 24, 1953, p. 231 and "The Refugee Relief Program: A Challenge to Voluntary Social Agencies," *ibid.*, May 24, 1954, p. 797.

If the program is to continue to function smoothly, and if the maximum result is to be accomplished, there must be a steady flow of assurances. It is primarily to stimulate the procurement of assurances that the President has suggested the establishment of local committees by the governors.

This is the second time within a week that the President has demonstrated his own personal interest in this effort by the United States to share with other free nations in providing a haven for victims of oppression and disaster. On August 3, the President received Mr. and Mrs. Ceza Kapus and their 6-year-old daughter, Eva, the first escapees from behind the Iron Curtain to be brought here under the Refugee Relief Act. The Kapus family made a daring escape from Hungary during which Mrs. Kapus' leg was blown off by a land mine. They crossed into Austria under fire from border guards.

The Refugee Relief Act is administered by Scott McLeod of the Department of State. Cooperating in its administration are the Departments of Defense, Justice, Labor, Health, Education and Welfare, and Treasury, as well as the Foreign Operations Administration, the Intergovernmental Committee on European Migration, and 25 voluntary agencies. The act has a statutory life extending to December 31, 1956.

Following is the text of the President's letter to the 47 governors:

With America's traditional concern for the homeless, the persecuted, and the less fortunate of other lands, one of the first acts passed by your 83d Congress was the Refugee Relief Act of 1953 authorizing the entry into the United States of some 214,000 refugees.

These are men and women of the same character and integrity as their and our ancestors who, generation upon generation, have come to America to find peace and work, to build for themselves new homes in freedom.

Under supervision of the Department of State an almost world-wide organization has been set up to help these refugees from Communist persecution, natural disaster, and military operations. To aid in obtaining the needed sponsorship-assurances for these people, and to assist in the resettlement program, we need your assistance.

It would greatly stimulate the speed and effectiveness of this program if you would consider appointing a Governor's Committee to operate within your state. So that you can give full consideration to our suggestion, I am asking the State Department to forward you a complete Committee Manual explaining the act, functions of the Governor's Committee and other pertinent information.

Your assistance in this great humanitarian program will always be a source of great personal satisfaction and will be a genuine service to many communities within your state.

Sincerely,

DWIGHT D. EISENHOWER

The text of the President's letter to Governor Dewey of New York, who has already established such committees within his State, follows:

DEAR GOVERNOR DEWEY: I have today written to the Governors of each of the other states suggesting that they may wish to appoint committees to cooperate with the Administration in connection with implementing the

Refugee Relief Program of 1953. I have not addressed the letter to you because you have already created such a committee and I understand that Commissioner Corsi has already had a meeting with the Administrator of this Program, to the mutual satisfaction of both of them.

I congratulate you on undertaking this work to stimulate the flow of assurances and to aid in the resettlement of these immigrants. I hope you will let Commissioner Corsi know how much we appreciate the cooperation extended by him and his associates.

Sincerely,

DWIGHT D. EISENHOWER

East Germans Accept Offer of U.S. Aid for Flood Victims

Note From U.S. High Commissioner

HICOG press release dated July 30

Following is the text of a note sent on July 30 to the Soviet High Commissioner for Germany, Georgi Pushkin, by U.S. High Commissioner James B. Conant, quoting a statement by President Eisenhower offering aid to the victims of flooded areas in the Soviet Zone of Germany:

DEAR MR. HIGH COMMISSIONER: I have been instructed to bring to your attention the following statement made on July 29, 1954, by the President of the United States of America:

[Here followed President Eisenhower's statement of July 29.]¹

In accordance with the above statement, my staff will hold itself ready to discuss the means by which assistance of the type referred to can be made available to the people of the Soviet Zone of Germany.

Sincerely yours,

JAMES B. CONANT
*United States High Commissioner
for Germany*

Soviet Acceptance

The Department of State announced on August 6 (press release 426) that Ambassador Conant had received the following note from Mr. Pushkin with an enclosure from Otto Grotewohl, Minister-President of the so-called German Democratic Republic:

AUGUST 5, 1954

DEAR MR. CONANT, In acknowledging receipt of your letter of July 30, I advise that I have informed the Government of the German Democratic Republic of the contents of this letter.

The Government of the German Democratic Republic has asked me to transmit to you the enclosed reply to the question raised in your letter.

Sincerely,

PUSHKIN

¹ For text see BULLETIN of Aug. 9, 1954, p. 197.

Enclosure

The Government of the German Democratic Republic thanks the President of the United States of America for the offer in his declaration of July 29, 1954 to lend assistance to population of the areas of the German Democratic Republic affected by the flood.

The Government of the German Democratic Republic declares its readiness to accept this offer. In this connection it is assumed that it will be possible to explore further question of the forms of assistance and associated organizational measures. With expressions of highest esteem,

O. GROTEWOHL

BERLIN, August 5, 1954

TO THE GOVERNMENT OF THE UNITED STATES OF AMERICA²

U.S. Rejects Polish Charges Concerning Attack on Ships

Press release 425 dated August 6

The United States Embassy at Warsaw on August 6 delivered a reply to the Polish note of July 31, 1954 alleging that American military aircraft fired on two Polish merchant ships near the island of Hainan on July 26. The U.S. note stated:

The charges contained in the Polish Government's note are completely untrue and are therefore categorically rejected by the United States Government. The pertinent facts are set forth below.

This Government had previously announced that American planes were searching in the vicinity of Hainan on July 26 in the hope of rescuing survivors among the victims of the incident in which a British commercial airliner was brutally shot down by Chinese Communist planes on July 23. Three Americans were killed and three others wounded as a result of that Chinese Communist assault. While the American planes were engaged in this welfare mission over the high seas on July 26, they were attacked by two Chinese Communist fighter aircraft. The Americans returned the fire and the two Chinese Communist planes were shot down. No American planes fired on any vessel or ship of any kind, Polish or otherwise, in that area.

Evacuating Refugees From North Viet-Nam

Press release 431 dated August 8

On August 6 the U.S. Government received from the Government of Viet-Nam a request that the

² On Aug. 6 White House Press Secretary James C. Hagerty stated that the President was gratified that his offer of emergency food supplies extended on behalf of the American people to the suffering people in flood areas in Europe had been accepted by East Germany and that representatives of the League of Red Cross Societies were getting in touch with responsible officials in the Soviet Zone of Germany to work out details.

United States provide assistance in moving over 100,000 refugees from North Viet-Nam, the area which is being turned over to the Viet Minh, to South Viet-Nam areas under control of the anti-Communist government of Viet-Nam. The United States on August 8 replied as follows:

The United States Government desires to extend to the Government of Viet-Nam all reasonable assistance to evacuate from areas defined in the cease-fire agreement its nationals who understandably are unwilling to face the grim certainties of life under the Communists. The United States is well aware that mere removal does not solve the problem for such people or for the Government of Viet-Nam. The United States is also prepared to provide as far as possible material help needed to enable refugees from Viet Minh domination to resume existence under their chosen government with maximum opportunity to add to the strength of that government through their own efforts.

The American Embassy will continue close cooperation with the Government of Viet-Nam to ensure that United States assistance is made effective in meeting the needs of the Government of Viet-Nam and its people. The United States will expect the maximum cooperation of the Government of Viet-Nam in working to this mutual end.

Demand for Redress for Americans Killed and Injured Near Hainan

The Department of State announced on August 4 (press release 420) that the British Chargé d'Affaires at Peiping had sent the following note on that day to the Chinese Communist Foreign Office:

"The United States Government makes further reference to the incident of the shooting down by Chinese Communist military aircraft of an unnamed commercial aircraft of the British Cathay Pacific on July 23, 1954 over the high seas. The Chinese Communist authorities have admitted responsibility for this illegal and wrongful act.¹ Inasmuch as six United States citizens were passengers on this aircraft, three of whom were killed and three others injured as a result of this illegal attack, the Chinese Communist authorities cannot, under established international law, dispose of their responsibility to make compensation to the United States Government by asserting, as they

¹ For statements by Secretary Dulles on the incident, see BULLETIN of Aug. 2, 1954, p. 165 and Aug. 9, 1954, p. 196. For texts of two *aide mémoire* delivered on behalf of the United States on July 27, see *ibid.*, Aug. 9, 1954, p. 196. As in the case of the *aide mémoire*, the Chinese Communist Foreign Office returned the Aug. 4 note to the British mission later the same day.

have done, that the matter is one between the Chinese Communist and British Governments to be settled through diplomatic channels. The United States Government reiterates its demand that the Chinese Communist authorities (1) declare the measures that will be taken to guard against repetition of such attacks, including the appropriate punishment of all persons having responsibility for the criminal attack, and (2) make provision for the compensation of the United States nationals who were injured and for the families of the United States nationals who were killed in this wanton attack."

The U.S. Government, in its note delivered at Peiping on August 4, deemed it necessary to invoke universally recognized rules of international law for protection of interests of U.S. nationals as well as U.S. Government interests. Although the aircraft was British, six passengers were U.S. citizens, and the killing of three and the injury of the remaining three by the Chinese Communists constitute a wrong to the United States and its citizens in violation of international law that must be and is protested by the United States and for which the United States demands redress.

Advisory Group To Study Economy of Formosa

Director of Foreign Operations Harold E. Stassen, at the request of the Government of the Republic of China, has appointed a special Economic Advisory Group to make a study of major aspects of the economy of Formosa, the Foreign Operations Administration announced on August 2.

The six-man group, which includes a director, an assistant, and four economic and financial authorities, will leave for Formosa by air on August 6. They expect to arrive at Taipei on August 10.

The group's study will deal with fundamental economic problems affecting Formosa, rather than with the Foa program specifically. It will function in an advisory capacity to the Chinese Government, reporting directly to Prime Minister O. K. Yui of China.

Roger Steffan, until recently a member of the White House staff, will go to Formosa as director of the Group and will remain as economic adviser to the Foa Mission in Taipei to assist with the development of economic plans for Formosa. Peter Amos Reinertsen, executive secretary, and the four specialists—William Kress Schmelzle, L. Werner Knoke, John Valentine Van Sickle, and John Newton Peyton—will serve as consultants.

In December 1949, the Chinese Nationalist Government and the remaining units of its armies totaling some 600,000 men moved from the mainland of China before the advancing Communist hordes to establish headquarters on Formosa. The island was confronted with the problem of supporting its own rapidly increasing population of 7 million, plus the large military establishment and the influx of mainland refugees, whose number grew to 1.5 million. This burden was imposed on an agricultural system just beginning to revive after the twin blows of World War II and the abrupt separation of its habitual ties with the Japanese economy.

The United States went to the aid of Free China, providing economic, technical, and military assistance. Formosa has been transformed from a defenseless and economically prostrate island into a country with an ever-growing capacity to produce the goods of both peace and war. The country is now in the 2d year of a 4-year program aimed at the island's becoming self-supporting through increases in agricultural and industrial production. Since the Chinese Government moved to Formosa in 1949, U.S. economic and technical aid has totaled \$428.8 million.

Credit to Bank of Japan for Purchase of U.S. Cotton

The Export-Import Bank of Washington announced on July 26 that it has authorized a credit of \$60 million in favor of the Bank of Japan to finance the purchase and export to Japan of cotton of United States growth. This is the fourth credit of this type to be authorized in favor of the Bank of Japan since 1951, the total of the four credits amounting to \$200 million. Drafts issued under previous lines have been met promptly and often prior to maturity.

At current market prices approximately 330,000 bales of cotton can be financed by the credit, which will be available through July 31, 1955. The cotton will be sold through commercial trade channels and financed by letter of credit.

In recent years, Japan has been the largest market for U.S. export cotton. During the 1953-54 crop year Japan has taken 950,000 bales of U.S. cotton or approximately 25.7 percent of total exports from the United States which will reach an estimated 3,700,000 bales by July 31, 1954.

Principles of Collective Security

STATEMENT BY JAMES J. WADSWORTH¹

U.S./U.N. press release 1944 dated August 4

The United States now wishes to submit formally to the Collective Measures Committee as a working paper a statement of certain principles of collective security which has previously been circulated to committee members on an informal basis. The affirmation of these important principles by the committee and by the General Assembly should help to develop the determination among states so essential to any future United Nations collective measures against aggression.

I would like to add, Mr. Chairman, that in this working paper we find language which is by no means rigid. The attitude of our delegation is that any suggestions which may be made by members of the committee for the improvement of this paper will be welcomed and will be given the most careful consideration. We have already received from some delegations informal suggestions as to changes in wording. Most of these are acceptable to the United States. The fact that the working paper is being circulated to you today in exactly the same form that it was circulated to you previously does not mean that there is any rejection on the part of my delegation of the suggested changes that have been made by certain other delegations here, and it is our hope that as soon as possible we may meet informally, perhaps, and work out the changes so that a text fully acceptable to all members may be arrived at.

Under the mandate of the General Assembly, this committee is responsible for examining objectively the ways and means by which the United Nations collective security system can be strengthened. It is not our objective to plan against any specific aggressor or at any specific spot or area of the world. Our task has been and remains to assist members in preparing themselves to deter or suppress aggression wherever and whenever it may occur.

I believe that the members now have before them the United States working paper to which I have

referred. If the principles embodied in it are wholeheartedly applied by members of the United Nations in conjunction with other suggestions made in the previous reports, which you, Mr. Chairman, have just mentioned, future collective measures under the aegis of the United Nations are more likely to be taken promptly and to be applied and coordinated effectively by the greatest possible number of states.

Principles 1 through 4 seek to emphasize the importance of maximum participation and fair distribution of burden among the largest possible number of states.

In our view, it is important for all states to give continued consideration to the further preparatory steps which they might take to place themselves in a position of readiness should future United Nations collective measures be recommended by the appropriate bodies.

The steps to be taken have been made clear by the Uniting for Peace and subsequent General Assembly resolutions. States are urged to maintain elements within their armed forces for possible United Nations service. They are urged to place themselves in a position to make available assistance, facilities, and related rights to United Nations forces engaged in collective measures. They are asked to consider, pursuant to the General Assembly recommendation of 1952, whether their laws and administrative arrangements now permit a full response to a United Nations call for collective action.

Lesson of Korea

These principles are derived from the valuable lesson learned in Korea. In Korea a substantial contribution was made militarily by 15 other members of the United Nations, which contributed the equivalent of two divisions to the fighting forces; and also by 45 states which either made contributions of a nonmilitary nature or which joined in the United Nations strategic embargo against the aggressor. But in spite of all this, it was not possible in the Korean action for the burdens of collective resistance against aggression to have been shared equally.

¹ Made before the Collective Measures Committee of the U.N. General Assembly on Aug. 4. Ambassador Wadsworth is deputy U.S. representative to the United Nations and U.S. representative in the Collective Measures Committee.

Mr. Chairman, there are a number of reasons why some free world states did not actually contribute military forces or made only limited contributions in support of that action. Some had important commitments which were and still are protecting certain crucial areas of the free world. Others could not make a contribution, or were limited to token contributions, because of economic incapacity. And certain nations were willing to contribute manpower but were not in a position to train their forces, provide them with arms, or to maintain them with the needed logistic support in the field. Nations with available manpower, but with no mechanical equipment and no shipping, could not undertake to equip or transport their own troops. Nor could these nations make reimbursement for the logistic support of their troops. This inevitably had a discouraging effect on troop contributions in Korea.

Now the whole question of encouraging greater participation and more military contributions in the event of a future United Nations collective action has been given careful and serious consideration by the United States Government and by President Eisenhower himself. Let me outline briefly to you the President's policy, which is embraced in particular by principle 3. This policy provides that, while in principle each nation involved in a United Nations effort to repel aggression should equip and supply its own forces to the extent that it is able, the overriding consideration should be the maximum contribution of effective military forces. In the future when any such nation is willing to contribute effective forces to a collective action under the aegis of the United Nations but is not able to provide logistic support, we believe that United Nations members should do everything they can, in accordance with their constitutional processes, to see to it that needed military equipment, supplies, and services are made available to such nation. The United States will do its part.

This principle should give tremendous impetus to the development of collective security. It would help United Nations members to contribute to the common effort in accordance with their own capabilities and facilities and resources. We hope this new policy will encourage more free nations to assume their fair share of the burdens of collective measures. We hope that it will stimulate nations to greater preparedness efforts so that they will be able to participate promptly and effectively in any future collective measures. The more effectively free nations build and unite their strength to maintain international peace and security, the less likely it is that world peace will be challenged. The pages of history are littered with the almost forgotten names of nations which were swallowed up because they were not ready to resist.

Regional Arrangements

I should also like to comment briefly on principle 5 of our working paper, which has reference to regional arrangements or agencies and their relation to the United Nations collective security system.

As we see it, the problem of collective security is global and a combination of measures is required. Regional arrangements have been developed to an extent which was not fully envisaged at the time of the San Francisco conference primarily because of the threat of aggression in the world today as compared to then. These are not intended as substitutes for the United Nations system of collective security but rather are an integral part of a universal system.

The importance of this principle is illustrated by the current efforts being made by a number of countries to organize a Southeast Asian Treaty Organization. It is our earnest hope that, in common with other regional organizations under the charter, this would contribute measurably to preventing an outbreak of aggression in a specified area. And if it should ever become necessary for such an agency to take action consistent with and in support of the charter against aggression, we would hope that all appropriate steps would be taken in the United Nations to provide support for such action.

Principle 6 stresses the importance of collective economic and financial measures against aggression. It underscores the importance of mutual assistance in the application of collective measures. It also makes reference to the list prepared by this committee of arms, ammunition and implements of war and of other strategic items.² This is another timesaving device now available to the United Nations to speed up the effectiveness of any embargo which may be called for by the Security Council or the General Assembly.

In our view, Mr. Chairman, it is important that the Collective Measures Committee continue to be available to examine ways and means in which the capabilities of the United Nations can be strengthened. It should be available to receive and examine such information as may be submitted to it by states regarding their own individual preparations or by groups of states. While there does not appear to be any compelling need at this time to pursue further any detailed studies, we believe the committee should be available to encourage states to carry on their own advance preparations upon request. It may be that at some time the Collective Measures Committee may be called upon to carry forward some of its studies or undertake additional ones in order to keep pace with the new developments. The committee could

² Annex H of the report of the Collective Measures Committee to the Seventh Session of the General Assembly (U.N. doc. A/2215).

from time to time report to the General Assembly in its judgment such a report would be useful. It is our earnest hope that there will be included in this year's report to the General Assembly a recommendation for the committee's continuance on this standby basis.

Finally, the United States Government believes that it is essential that the United Nations work successfully in all its aspects in accordance with the purposes and principles of the Charter. A strong collective security system is necessary, but, by the same token, full use of the processes of pacific settlement is also essential if the tensions of the existing world are to be eased. In our belief, a strong United Nations collective security system should facilitate peaceful settlement procedures and assist the United Nations in its numerous and necessary functions.

TEXT OF U.S. WORKING PAPER

U.N. doc. A/AC.43/L.3 dated August 4

1. In considering what the Collective Measures Committee might usefully do in furtherance of the objective of strengthening the capability of the United Nations to maintain international peace and security, it was realized that considerable progress has already been made by the Committee. In the two previous reports the Collective Measures Committee sought to analyze the hard lessons of the Korean experience in the hope that the United Nations can be developed into a more effective agency for resisting aggression collectively. A wide range of political, economic and military collective measures were considered by the Committee to be practicable. The studies made by the Committee, which are now available "on the shelf" of the United Nations, may assist in reducing in a future collective action the amount of improvisation necessary in organizing the collective effort in Korea. Noteworthy also are the efforts made by the Collective Measures Committee to stimulate preparations on the part of all states enabling them to participate and to support future United Nations collective resistance against aggression.

2. It may well be that at some time the Collective Measures Committee should carry forward some of its studies or undertake additional ones in order to keep pace with the new developments which may occur in the field of

collective security. At this juncture we believe that an affirmation of certain important principles of particular relevance in the execution of collective measures, by the Committee and the General Assembly, will help to develop the will and determination among states which is essential if any future United Nations collective measures which are undertaken are to be effectively and equitably applied.

3. Accordingly, the following principles of collective security are submitted for the consideration of the Collective Measures Committee in the hope that their endorsement by the Committee and the General Assembly may contribute in some measure to the strengthening of the concept of collective security under the aegis of the United Nations.

1. In principle, when the United Nations undertakes action against aggression, the greatest possible number of States should make effective military contributions to the collective effort, in accordance with their individual capacities and resources.

2. While it is essential that United Nations collective military action be supported by every effective type of assistance, a primary objective should be to secure the maximum contribution of effective military forces.

3. To this end, States supporting United Nations collective measures should seek to maximize effective military contributions not only by their own contribution of forces but also by helping to provide logistic support to States desiring to participate but unable to provide for the equipment, training of or supplying of their own forces.

4. In the event of collective measures undertaken by the United Nations against aggression, States should endeavour to make available ancillary support for the benefit of forces of countries participating in such measures. Such ancillary support should include, where possible, necessary rights of passage through or over territory of the country concerned and related rights and facilities.

5. Collective self defence and regional arrangements of agencies constitute an important part of the United Nations collective security system. When action is taken against aggression consistent with and in support of the Charter by collective defence agencies, it is important that all appropriate steps be taken in the United Nations to provide support for such collective action.

6. The importance of collective economic and financial measures against aggression for the purpose of assisting the victim and co-operating States is reaffirmed. The availability to the Security Council and the General Assembly of the arms embargo list and the list of strategic items prepared by the Collective Measures Committee is noted as well as its utility in expediting the application of any future embargo which the United Nations may decide upon or recommend.

Removal of Obstacles to International Trade

Statement by Preston Hotchkis

U.S. Representative on the U.N. Economic and Social Council¹

At the end of World War II, many countries faced difficult problems of readjustment, particularly in the field of international trade. The prewar network of trade and payments was disrupted. The war had brought inflation to many countries with its attendant unfavorable effects on international trade. The inadequacy of production in the years immediately after the war in many parts of the world created complex international payments problems.

As the postwar period advanced, encouraging progress was made in re-creating conditions favorable to greater international trade. While important problems still remain, significant gains have been registered. Total production and consumption rose to new record levels. In many countries, inflationary pressures which plagued them during the immediate postwar period and again during the hostilities in Korea were eliminated or tended to disappear. Disequilibrium in international transactions was reduced to the point where a considerable reduction of restrictions and impediments to the free international exchange of goods was made possible. A substantial expansion in the volume of international trade has taken place since the war. In fact, international trade reached record heights in 1953, as the Secretary-General pointed out in his World Economic Report.²

In our own country, a major objective of our postwar policy has been the restoration of a system of genuine multilateral trade. The American people have cooperated in this task in many ways. For example, they supported the creation of international organizations, such as the International Monetary Fund, to provide a framework within which problems relating to international trade could be dealt with in orderly fashion. Through our foreign aid programs we assisted in

expanding the volume of international trade. We participated with other countries in a series of postwar negotiations which significantly reduced tariffs on a long list of commodities.

More recently, our President recommended additional measures to encourage foreign sales in the United States. These include simplification of customs procedures for goods entering the United States, the renegotiation of the General Agreement on Tariffs and Trade with a view to making it a stronger instrument of international cooperation to create a better system of world trade, and a further extension of our Trade Agreements Act, which gives the President authority to negotiate reciprocal tariff reductions.

The most important general contribution which we can make to expanding international trade is to give full play to the dynamism of our free economy and thereby to maintain its long-term vigor and growth. A high level of economic activity in the United States is naturally reflected in a high level of demand for goods and services from abroad.

Today, trade and payments are, in general, less burdened with restrictions than at any time since World War II. Many countries have strengthened their internal financial stability, their international competitive ability, and their gold and foreign exchange reserves. Convertibility now appears to be a practical possibility for several important currencies. While the initiative in this matter must come from the countries directly concerned, we are prepared to support appropriate actions in the direction of reestablishing convertibility of their currencies. At an appropriate time we are prepared to give our support in the International Monetary Fund for the use of its resources as a secondary line of reserves for a country undertaking currency convertibility. Through the GATT and the Fund, and in bilateral negotiations, we will continue to work for the further abolition or reduction of barriers to international trade and payments as rapidly as possible.

¹ Made before the Economic Committee of the Council at Geneva on July 20 (U.S./U.N. press release 1945 dated Aug. 5).

² U.N. doc. E/2560.

East-West Trade Relations

I should like now to speak on a special aspect of this subject—the question of trade relations between the countries of the Soviet bloc and the countries of the free world.

In doing this I would like first to recall a bit of comparatively recent history to help place this matter in proper perspective. Soviet talk about East-West trade is almost as old as the Soviet regime itself. Periodically, the Soviet Government has preached its great interest in expanding trade between the Soviet Union and the other countries. Almost as soon as the Soviets took over the government of Russia, they began using promises of expanding trade as a lure to obtain diplomatic objectives. However, these promises of expanding trade either never materialized or materialized in very limited fashion.

In recent years, the continuing growth of Western economies, the development of Western unity in the face of sinister Soviet policy, and the imposition of restrictions on the export of strategic goods to countries of the Soviet bloc have led the Soviet Union once more to resort to this same kind of talk. Now the Soviet Government would have us believe that it is practically the sole exponent of expanding international trade, that other countries are not interested in developing worldwide trading relationships, and that Western strategic trade controls are responsible for the comparatively low level of trade between the Soviet Union and the rest of the world.

During the past few years, it has of course been necessary for the United States, and other countries, to take certain security measures on a cooperative basis with respect to trade with the Soviet Union and the countries which it dominates. However, these controls were imposed only after the aggressive intentions of the Soviet Union against the Western countries became clearly evident through a long series of actions which are familiar to all of us.

Moreover, such strategic trade controls as are in effect today apply to only a small proportion of the types of goods which entered into East-West trade in the prewar years or in 1948. There is actually a vast range of commodities useful for consumption and peaceful industrial development which may be freely exported to these countries. If the Soviet bloc genuinely desires to expand its trade with Western countries in these goods, Western controls are not an obstacle to the expansion of such trade. There has never been an economic blockade of the Soviet Union, as some Soviet speakers have charged.

So far as the United States is concerned, we do not object to, and never have objected to, trade in peaceful goods with countries of the Soviet bloc. I am not, of course, speaking here of trade with Communist China, whose regime has been declared an aggressor by the United Nations.) As it hap-

pens, our trade with the Communist countries of Eastern Europe has never been large. Our trade with the Soviet Union itself over a long period amounted to only about 1 percent of our total trade. This low level of trade prevailed even before World War I and may be explained on purely economic and geographic grounds.

Actually, the most important obstacles to the expansion of East-West trade in the postwar period have stemmed from the policies of the Soviet bloc and the conditions which developed as a result. These include such factors as the deliberate mobilization of the human and natural resources of Eastern Europe into a pattern designed to serve the purposes of the Soviet Union, the refusal of the Soviet Union to cooperate in constructive efforts to rebuild the European economy after the war, and the inability of the Soviet bloc to provide the exports with which to pay for the goods it wishes to import from Western countries. Other delegations have mentioned other elements which act as dampers on the expansion of East-West trade.

We have heard appeals from the Soviet representative for the expansion of trade as a basis for "peaceful co-existence." Mr. Chairman, the people of the United States cannot forget for a moment the vital need to keep open all roads to a sounder basis for world peace. But let us not be misled. International trade of itself cannot and does not automatically and inevitably lead to peace. We have only to recall, for example, the activities of Nazi Germany, which continued to expand its foreign trade right up to the outbreak of World War II. Trade is not necessarily a road to peace unless all parties concerned want to make it so. And whenever the Soviet bloc demonstrates by its actions that it is genuinely interested in achieving a lasting peace, then the Western countries will be in a position to decide that it is no longer necessary to deny the Soviet bloc items of strategic importance.

Two Resolutions Submitted

Before concluding, I should like briefly to indicate our views on the two resolutions which have been submitted under this item.³ First, any resolution adopted by the Council on this subject should recognize the fact that, during recent years, there has been a considerable expansion of international trade. Moreover, any recommendation to governments concerning further action to facilitate trade—if it is to be a realistic recommendation—should avoid such unqualified and, therefore, ineffective language as "remove obstacles hampering the development of trade relations," which appears in the first operative paragraph of the Soviet draft resolution.

³ U.N. docs. E/L. 613/Rev. 2, submitted by the United Kingdom, and E/L. 614/Rev. 2, submitted by the U.S.S.R.

The Soviet resolution would also instruct the Secretary-General to convene an international conference of government experts for the "purpose of formulating recommendations for developing international trade." This proposal does not seem to us to be practical. The Council is now engaged in considering and formulating recommendations on the very matter for which the Soviet delegation would have the Secretary-General convene a special conference. There is no indication that such a conference would be able to do anything that could not be accomplished through the regular channels of the United Nations.

In this connection, I note that the question of removal of obstacles to international trade was first suggested for the Council's agenda by the Soviet Union in February of this year—that is 5 months ago. Yet the Soviet delegation has advanced for the Council's consideration substantially the same recommendations as it urged in the Council one year ago when the Council was considering the subject of full employment—that is, that countries should "adopt measures to promote normal trade development" and "remove obstacles hampering the development of trade." Can we really expect that at this time anything more fruitful would come out of a special conference such as that proposed in the Soviet resolution? The fact of the matter is that any substantial reduction of impediments to trade can only come about through the decisions and actions of individual governments taken in the light of existing circumstances, and not as a result of sweeping recommendations having little relation to reality. That is why we feel that a study by the Secretariat of the kind proposed in the United Kingdom resolution may be helpful in pointing out to governments various problems still to be considered and dealt with in this field.

If in the future any member of this Council has further proposals to make in this field, the Council, I am sure, will always be ready to consider them. If it is felt desirable to deal with this matter in a body of global scope, we have the General Assembly of 60 nations. Furthermore, as other representatives have pointed out, there are already in existence various international bodies concerned with particular aspects of the problem of facilitating international trade, membership in which has been open to all countries.

As I have stated, the real key to the level of East-West trade is the policy of the Soviet Union itself. The Government of the United States

will always welcome opportunities to expand international trade—but not at the price of its national security or the security of other free nations. The degree to which the Soviet Union and the countries of the Soviet bloc genuinely desire to join the family of free trading nations must be measured by the extent to which they demonstrate by actions their readiness to become good neighbors in the world community. It cannot be measured by the staging of spurious conferences.

We will, therefore, vote against the resolution of the Soviet Union, and we will vote in favor of the resolution of the United Kingdom.⁴

Confirmation of Delegates to Ninth General Assembly

The Senate on August 7 confirmed the following to be representatives of the United States to the ninth session of the General Assembly of the United Nations, to serve no longer than December 31, 1954:

Henry Cabot Lodge, Jr.
H. Alexander Smith
J. W. Fulbright
C. D. Jackson
Charles H. Mahoney

The following were confirmed to be alternate U.S. representatives for the same period:

Roger W. Straus
James J. Wadsworth
Mrs. Oswald B. Lord
Ade M. Johnson

⁴ The Economic Committee on July 29 adopted the U.K. proposal by a vote of 16-0, with Czechoslovakia and the U.S.S.R. abstaining; on Aug. 4 the full Council adopted it unanimously.

The resolution requests the Secretary-General to include in his next World Economic Report an analysis, prepared in consultation with appropriate international bodies, of factors tending to limit the expansion of international trade and to include in such an analysis a study on a global basis of the problem of promoting the development of trade within all various geographical and currency areas. In preparation of the analysis, the Secretary-General is to make use of the valuable work being done by experts under the auspices of the U.N. Economic Commissions.

The resolution further urges governments to take all practicable steps to facilitate a further expansion of mutually beneficial international trade. The question under the terms of the proposal, will be considered again at the 20th session of the Council.

Programs for Overseas Construction and Offshore Procurement

Following is the text of a letter from Secretary Dulles to Senator Carl Hayden of Arizona. Senator Hayden had requested the Department's comments on a circular letter making certain charges against U.S. programs for construction of overseas bases and for offshore procurement. The circular had come to his attention after it had been distributed to labor organizations throughout the United States.¹

JUL 20 1954

DEAR SENATOR HAYDEN: I am replying to your letter of June 8, 1954, concerning a number of allegations made by Mr. James H. Dillon about overseas construction projects and the off-shore procurement program.

The circular published by Mr. Dillon is critical of three separate and distinct programs carried out by the United States Government. The first is the program of constructing overseas military installations for use by American forces. The second is the program, undertaken in cooperation with our NATO allies, of building bases and other military facilities for common use by American and allied forces. The third is the off-shore procurement program.

These three programs have been designed and authorized by the Congress to serve different purposes, and they are administered in different ways. The Department of State has no operating responsibility for any of them. We are concerned essentially with the development of broad policies under which the programs are to be carried out, and with the conduct of relevant negotiations with foreign governments. However, in view of the numerous factual errors and misrepresentations of policy embodied in the circular under reference, we welcome the opportunity to explain the policy considerations upon which these programs are based.

Our program of building bases and other military facilities in foreign countries for use by American forces is directly and intimately related

to the defense of the United States. These installations are essential if our naval and air forces are to be in a position to retaliate effectively against aggression and to halt an enemy attack with minimum damage to the United States itself. To obtain the right to construct and use the needed facilities, it is necessary that we negotiate agreements with the governments of the areas concerned. One issue which arises repeatedly in such negotiations is the question of what contractors and construction personnel will be used to do the work on these installations.

Mr. Dillon has asserted that it is the policy of the Department of State to make agreements which will deny Americans the opportunity for jobs on overseas construction projects. This assertion is false. Actually, it is the policy of the Department to negotiate arrangements with foreign governments which will permit the widest possible use of American contractors and construction personnel on military installations abroad which is consistent with the prompt, efficient and economical accomplishment of the work. The superior efficiency of skilled American laborers and technicians is fully recognized, and the Department has consistently sought to obtain maximum authority to employ American personnel.

This policy has shown practical results. While we have no record of all the work undertaken by American firms, it is known that American firms and personnel actually have been engaged on a number of military construction projects abroad.

I am sure you will understand that it has not always proved possible to negotiate arrangements as favorable in respect to the employment of American firms and personnel as those hoped for. Our principal objective has been to obtain and establish as rapidly as possible the military installations which are vital to our national security. The governments of the areas concerned are sovereign governments. They cannot be compelled to provide bases for United States forces. Nor can they be compelled to let American personnel do the work on the bases they are willing to give us. Some of them have economic problems far more serious than our own. Some of the citizens in these countries object to the very principle of permitting foreign governments to build military

¹ The Secretary's reply, together with letters from Director of Foreign Operations Harold E. Stassen and Assistant Secretary of Defense Fred A. Seaton, is available as S. Doc. 9, 83d Cong., 2d Sess.

installations on their territory. These objections would be greatly magnified if the United States should insist stubbornly upon the exclusive use of American personnel in the construction work. Our negotiators have had the task of making the best of these difficult circumstances. On the whole, they have done well. But there have been several instances in which they have had no real choice but to agree to permit local construction firms and workers to do the work. The alternative was to abandon the effort to acquire the bases themselves, or to accept the grave risk of prolonged delays in obtaining the facilities so vital to our national security.

The second program criticized by Mr. Dillon is the NATO air base program. Those NATO installations are not United States facilities and are not financed solely by the United States. They are developed for common use by the forces of all NATO countries and are jointly financed by these countries. Since the NATO program is under international direction, the United States Government does not have authority to let contracts for these facilities. However, the United States Government has sponsored and recently secured NATO agreement on the adoption of a system of international competitive bidding for construction contracts. This arrangement will make it possible for American companies to compete equitably with firms from other participating countries.

The third program subjected to criticism is the off-shore procurement program. This program involves the purchase of military equipment and supplies, paid for by the United States but produced in other countries. To understand the off-shore procurement program, it is necessary to recall that the United States has been engaged for several years in providing equipment to strengthen the military forces of allied nations, so as to increase the total defensive power available in the free world to resist Communist aggression. Most of this equipment has been and is now being produced in the United States. However, there are multiple advantages in letting allied countries produce a part of this equipment. Certain items can be produced more cheaply abroad than in the United States, thus bringing a net saving to the American taxpayer. Certain items can also be produced and delivered more quickly. The costs and difficulties of transport are reduced. Multiple sources of supply and maintenance are assured, thus improving the ability of allied countries to maintain their forces at peak strength and to repair and replace their equipment after United States deliveries have been completed. Moreover, the off-shore procurement program has enabled certain allied countries to develop a larger and more balanced military production system, thus expanding the mobilization potential of the free world as a whole and providing on-the-spot sources of supply in case of a military attack against Europe.

One secondary effect of the off-shore procurement program has been to permit allied countries to earn American dollars by producing military goods. These dollar earnings have helped allied countries to balance their payments with the dollar area and have thereby enabled them to bear the economic burdens of their own national defense programs with decreasing reliance upon economic grants from the United States. Once it is recognized that economic balance is the essential prerequisite of effective allied defense efforts, it becomes evident that it is to our national interest to permit them to achieve this balance by earning the dollars they need rather than by receiving these dollars as a "hand-out".

There is no justification for any suggestion that the off-shore procurement program involves discrimination against American businessmen and workers. During the past five years, this program has accounted for only 2½% of the total procurement of military equipment by the United States Government. It is less than one-tenth of 1% of the gross national product of the United States. One of the basic criteria for the selection of items to be included in the offshore procurement program has been that such procurement shall not have "serious effects on the United States economy employment or industrial mobilization". So long as this standard is followed, there is overwhelming evidence that the United States gains far more than it loses from the off-shore procurement program, both strategically and economically.

While the specific aims of the foregoing programs differ, they are alike in the respect that all are needed to protect the security of the United States. So long as the Communist threat exists, this must remain a paramount concern of the United States Government. Our security objectives cannot be fully realized without certain carefully-considered military expenditures in foreign countries. At the same time, it is our policy to plan and carry out these expenditures in such a way as to minimize the burden on the American taxpayer and to avoid unnecessary strain upon the American economy.

It appears that the principal objection to the programs described is the fact that they permit friendly foreign countries to earn American dollars as a consequence of cooperation in mutual defense programs. This objection might be more deserving of attention if there were evidence of genuine injury to American economic interests, or if we had no concern with economic trends in other parts of the world. But the facts are otherwise.

This country has a profound interest in the economic health of its friends and allies abroad. Without economic stability, these nations will be unable to maintain the military forces which are needed to protect this country as well as their own countries. Without a sound economic structure, they stand in constant danger of falling

n to Communist subversive influences. Finally, economic weakness abroad directly injures the American farmer, worker and businessman because it limits the capacity of foreign nations to purchase American goods.

Virtually every dollar acquired by other free nations, whether in trade or other earnings, eventually returns to this country in payment for American goods and services. These purchases keep many American enterprises in business and provide jobs for many American workers. Loss of these markets could not fail to produce ill effects throughout our national economy. In fact, the development of a serious unbalance in the international accounts of our European allies might set off a downward economic spiral which would cause loss to American business far greater in amount than the sums which Europe is now earning through cooperation in our security programs.

This fact alone, of course, would not justify asking the American taxpayer to support the programs I have described. Their true justification is found in their contribution to American national defense. Nevertheless, the beneficial effects upon our domestic economy should not be discounted. It would be dangerously short-sighted

for us to risk the disintegration of our entire collective security program by withholding those expenditures and then find that, as a result, the American economy had gained nothing.

The whole fabric of our foreign policy is tailored to the objective of preserving the security and freedom and promoting the prosperity of the American people. It must be recognized that when we engage in collective action with other nations, it is not possible for this Government to have everything its own way. Every partnership involves adjustments and accommodations of interests. Under these circumstances, it is possible that particular firms or economic interests in this country may sometimes fail to receive the opportunities and advantages desired. Nevertheless, these interests are ever present in our minds. To the extent that it is consistent with our over-all security objectives and the economical use of American funds, the Department of State will continue to protect and to promote the interests of American firms and workers in connection with United States military spending abroad.

Sincerely yours,

JOHN FOSTER DULLES

Agreement on New Air Route Between U.S. and Scandinavia

DEPARTMENT ANNOUNCEMENT

Press release 427 dated August 6

By an exchange of parallel notes signed in Washington, D. C., on August 6, 1954, agreement has been reached between the Governments of Denmark, Norway, and Sweden, respectively, and the Government of the United States on the establishment of a new air route between Scandinavia and the United States by way of Greenland.

The notes were signed on behalf of the United States by Thorsten V. Kalijarvi, Deputy Assistant Secretary of State for Economic Affairs; on behalf of Norway by Ambassador Wilhelm Munthe de Morgenstierne; on behalf of Denmark by Ambassador Henrik de Kauffmann; and on behalf of Sweden by Chargé d'Affaires Erik von Sydow.

The agreement provides that, for an experimental period of 3 years, a Scandinavian airline or airlines may operate on a route from Denmark, Norway, and Sweden via Greenland to Los Angeles in both directions, and that an airline or airlines to be designated by the Government of the

United States may exercise reciprocal rights.

If operating experience during the experimental period warrants making these routes permanent, the bilateral air transport agreements between Denmark, Norway, and Sweden, respectively, and the United States shall be amended to provide for such routes.

By another exchange of notes on the same date the existing bilateral air transport agreements between the three Scandinavian countries and the United States were amended so as to include capacity principles and provisions relative to rates (the so-called "Bermuda principles"), such provisions being a standard part of the majority of the United States air transport agreements with other countries.¹

This announcement was made simultaneously in Washington, Copenhagen, Oslo, and Stockholm.

¹For an explanation of the Bermuda principles and other phases of U.S. international aviation policy, see "Aviation Policy and International Relations," by Henry T. Snowdon, BULLETIN of July 13, 1953, p. 41.

TEXTS OF U.S. NOTES²

Note on New Route

SIR: I have the honor to refer to discussions and correspondence that have recently taken place relating to the establishment of an air route between Scandinavia and the United States by way of Greenland. The United States suggests that such a route be established in accordance with the following terms and conditions:

An airline or airlines designated by the Government of Sweden may operate on a route from Sweden, Denmark, and Norway via Greenland to Los Angeles in both directions.

An airline or airlines designated by the Government of the United States may operate on a route from the United States via Greenland to Stockholm and beyond in both directions.

Operations by an airline or airlines designated by the Government of Sweden shall be limited to an experimental period of three years from the date on which a foreign air carrier permit shall be issued by the United States aeronautical authorities to such airline. If operating experience during the experimental period warrants making these routes permanent, the bilateral air transport agreement between the United States and Sweden, effected by an exchange of notes signed at Washington on December 16, 1944, shall be amended to provide for such routes. In this connection, the United States will be prepared to make arrangements with the Government of Sweden at the end of two years of operation on the experimental route to review the operating experience for the purpose of determining whether the route should be made permanent. If the agreement is amended at the end of three years to provide for permanent routes as specified, the United States will wish also to amend the route now contained in paragraph B of the Annex to the Agreement by deleting Chicago.

The Air Transport Agreement between the United States and Sweden effected by an exchange of notes signed at Washington on December 16, 1944, as amended effective December 4, 1945 and as amended effective August 6, 1954, shall apply to the airlines and their operations on the routes.

If the routes described above and the terms and conditions specified are in accordance with the understanding of the Government of Sweden, this Government will be pleased to consider this note and the reply of the Government of Sweden as constituting an agreement effective from the date of the Swedish Government's reply of acceptance.

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State:

THORSTEN V. KALIJARVI

² The notes printed here were addressed to Erik von Sydow, Chargé d'Affaires ad interim of Sweden. Parallel notes were exchanged with Norway and Denmark.

Note on Revision of Air Transport Agreement

SIR: I have the honor to refer to discussions which have recently taken place in Washington concerning the revision of the Air Transport Agreement between the United States of America and Sweden, signed December 16, 1944, so as to include capacity principles, provisions relative to rates and the accompanying articles relating to consultation and arbitration procedures.

It is proposed that the following articles be agreed to between the Government of the United States and the Government of Sweden for incorporation in the Air Transport Agreement signed December 16, 1944.

ARTICLE 10

There shall be a fair and equal opportunity for the airlines of each contracting party to operate on any route covered by this Agreement.

ARTICLE 11

In the operation by the airlines of either contracting party of the trunk services described in this Agreement the interest of the airlines of the other contracting party shall be taken into consideration so as not to affect unduly the services which the latter provides on all or part of the same routes.

ARTICLE 12

The air services made available to the public by the airlines operating under this Agreement shall bear a close relationship to the requirements of the public for such services.

It is the understanding of both contracting parties that the services provided by a designated airline under the present Agreement shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such airline is a national and the countries of ultimate destination of the traffic. The right to embark or disembark on such services international traffic destined for and coming from third countries at a point or points on the routes specified in this Agreement shall be applied in accordance with the general principles of orderly development to which both contracting parties subscribe and shall be subject to the general principle that capacity should be related:

- (a) to traffic requirements between the country of origin and the countries of ultimate destination of the traffic;
- (b) to the requirements of through airline operation and,
- (c) to the traffic requirements of the area through which the airline passes after taking account of local and regional services.

ARTICLE 13

Rates to be charged on the routes provided for in this Agreement shall be reasonable, due regard being paid to all relevant factors, such as cost of operation, reasonable profit, and the rates charged by any other carriers, as well as the characteristics of each service, and shall be determined in accordance with the following paragraphs

(A) The rates to be charged by the airlines of either contracting party between points in the territory of the United States and points in the territory of Sweden referred to in the Annex shall, consistent with the provision of the present Agreement, be subject to the approval of the aeronautical authorities of the contracting parties who shall act in accordance with their obligations under this Agreement, within the limits of their legal powers.

(B) Any rate proposed by an airline of either contracting party shall be filed with the aeronautical authorities

both contracting parties at least thirty (30) days before the proposed date of introduction; provided that this period of thirty (30) days may be reduced in particular cases if so agreed by the aeronautical authorities of each contracting party.

(C) During any period for which the Civil Aeronautics Board of the United States has approved the traffic conference procedures of the International Air Transport Association (hereinafter called IATA), any rate agreements concluded through these procedures and involving United States airlines will be subject to approval of the Board. Rate agreements concluded through this machinery may also be required to be subject to the approval of the aeronautical authorities of Sweden pursuant to the principles enunciated in paragraph (B) above.

(D) The contracting parties agree that the procedure described in paragraphs (E), (F) and (G) of this Article shall apply:

1. If, during the period of the approval by both contracting parties of the IATA traffic conference procedure, then, any specific rate agreement is not approved within reasonable time by either contracting party, or, a conference of IATA is unable to agree on a rate, or

2. At any time no IATA procedure is applicable, or

3. If either contracting party at any time withdraws or fails to renew its approval of that part of the IATA traffic conference procedure relevant to this Article.

(E) In the event that power is conferred by law upon the aeronautical authorities of the United States to fix air and economic rates for the transport of persons and property by air on international services and to suspend proposed rates in a manner comparable to that in which the Civil Aeronautics Board at present is empowered to act with respect to such rates for the transport of persons and property by air within the United States, each of the contracting parties shall thereafter exercise its authority in such manner as to prevent any rate or rates proposed by one of its airlines for services from the territory of one contracting party to a point or points in the territory of the other contracting party from becoming effective, if in the judgment of the aeronautical authorities of the contracting party whose airline or airlines is or are proposing such rate, that rate is unfair or uneconomic. If one of the contracting parties on receipt of the notification referred to in paragraph (B) above is dissatisfied with the rate proposed by the airline or airlines of the other contracting party, it shall notify the other contracting party prior to the expiry of the first fifteen (15) of the thirty (30) days referred to, and the contracting parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each contracting party will exercise its best efforts to put such rate into effect as regards its airline or airlines.

If agreement has not been reached at the end of the thirty (30) day period referred to in paragraph (B) above, the proposed rate may, unless the aeronautical authorities of the country of the air carrier concerned see fit to suspend its application, go into effect provisionally pending the settlement of any dispute in accordance with the procedure outlined in paragraph (G) below.

(F) Prior to the time when such power may be conferred upon the aeronautical authorities of the United States, if one of the contracting parties is dissatisfied with any rate proposed by the airline or airlines of either contracting party for services from the territory of one contracting party to a point or points in the territory of the other contracting party, it shall so notify the other prior to the expiry of the first fifteen (15) of the thirty (30) day period referred to in paragraph (B) above, and the contracting parties shall endeavor to reach agreement on the appropriate rate.

In the event that such agreement is reached, each contracting party will use its best efforts to cause such agreed rate to be put into effect by its airline or airlines.

It is recognized that if no such agreement can be reached

prior to the expiry of such thirty (30) days, the contracting party raising the objection to the rate may take such steps as it may consider necessary to prevent the inauguration or continuation of the service in question at the rate complained of.

(G) When in any case under paragraphs (E) or (F) of this Article the aeronautical authorities of the two contracting parties cannot agree within a reasonable time upon the appropriate rate after consultation initiated by the complaint of one contracting party concerning the proposed rate or an existing rate of the airline or airlines of the other contracting party, upon the request of either, the terms of Article 15 of this Agreement shall apply.

ARTICLE 14

Consultation between the competent authorities of both contracting parties may be requested at any time by either contracting party for the purpose of discussing the interpretation, application, or amendment of the Agreement or Annex. Such consultation shall begin within a period of sixty (60) days from the date of the receipt of the request by the Department of State of the United States of America or the Ministry for Foreign Affairs of Sweden as the case may be. Should agreement be reached on amendment of the Agreement or its Annex, such amendment will come into effect upon confirmation by an exchange of diplomatic notes.

ARTICLE 15

Except as otherwise provided in this Agreement, any dispute between the contracting parties relative to the interpretation or application of this Agreement which cannot be settled through consultation shall be submitted for an advisory report to a tribunal of three arbitrators, one to be named by each contracting party, and the third to be agreed upon by the two arbitrators so chosen, provided that such third arbitrator shall not be a national of either contracting party. Each of the contracting parties shall designate an arbitrator within two months of the date of delivery by either party to the other party of a diplomatic note requesting arbitration of a dispute; and the third arbitrator shall be agreed upon within one month after such period of two months.

If either of the contracting parties fails to designate its own arbitrator within two months, or if the third arbitrator is not agreed upon within the time limit indicated, either party may request the President of the International Court of Justice to make the necessary appointment or appointments by choosing the arbitrator or arbitrators.

The contracting parties will use their best efforts under the powers available to them to put into effect the opinion expressed in any such advisory report. A moiety of the expenses of the arbitral tribunal shall be borne by each party.

The inclusion of Article 14 above relating to consultation would eliminate the need for Article 10 as it now appears in the Agreement, and this article should therefore be deleted.

If the proposals for amendment as set forth above are agreeable to the Government of Sweden, the Government of the United States will be pleased to consider these amendments as entering into force upon the date of your reply of acceptance.

Accept, Sir, the renewed assurances of my high consideration.

For the Secretary of State:

THORSTEN V. KALLIJARVI

Current Treaty Actions

MULTILATERAL

Agriculture

International plant protection convention. Done at Rome December 6, 1951.¹

Adherence deposited: Iraq, July 1, 1954.

Protocol providing for the dissolution of the International Institute of Agriculture and transferring its functions to the Food and Agriculture Organization. Dated at Rome March 30, 1946. Entered into force January 28, 1948. TIAS 1719.

Accession deposited: Japan, May 31, 1954.

Cultural Relations

Agreement for facilitating the international circulation of visual and auditory materials of an educational, scientific and cultural character, and protocol. Opened for signature at Lake Success July 15, 1949. Entered into force August 12, 1954.¹

Acceptance deposited: Greece, July 9, 1954.

Narcotic Drugs

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.²

Ratification deposited: Japan, July 21, 1954.

War

Geneva convention relative to treatment of prisoners of war;

Geneva convention for amelioration of the condition of the wounded and sick in armed forces in the field;

Geneva convention for amelioration of the condition of wounded, sick and shipwrecked members of armed forces at sea;

Geneva convention relative to protection of civilian persons in time of war.

Dated at Geneva August 12, 1949. Entered into force October 21, 1950.¹

Ratification deposited: Bulgaria, July 22, 1954.

Weather Stations

Agreement on North Atlantic Ocean Stations. Dated at Paris February 25, 1954.²

Acceptance deposited: Canada, July 13, 1954.

BILATERAL

El Salvador

Cooperative program agreement for agricultural development, pursuant to the general agreement for technical cooperation of April 4, 1952 (TIAS 2527). Signed at San Salvador July 16, 1954. Enters into force upon notification to the United States of ratification by El Salvador.

Ethiopia

Agreement for a program of special technical services, pursuant to the general agreement for technical cooperation of June 16, 1951 (TIAS 2271). Signed at Addis Ababa April 21, 1954. Entered into force April 21, 1954.

¹ Not in force for the United States.

² Not in force.

Agreement amending and extending the cooperative program agreement for the study of water resources of June 23 and 24, 1952, as amended (TIAS 2662 and 2814). Effected by exchange of notes at Addis Ababa April 27 and May 11, 1954. Entered into force May 11, 1954.

Agreement amending and extending the agreements of November 7, 1952, and of June 23 and 25, 1953, relating to technical cooperation programs in vocational and industrial crafts training, and in education, respectively. Effected by exchange of notes at Addis Ababa May 1 and June 1, 1954. Entered into force June 1, 1954.

Agreement amending the agreement of November 7, 1953, relating to a technical cooperation program in vocational and industrial crafts training. Effected by exchange of notes at Addis Ababa May 18 and June 12, 1954. Entered into force June 12, 1954.

Agreement supplementing and extending the agreement of December 24, 1952 and March 30, 1953, relating to the extension of technical cooperation to Eritrea. Effected by exchange of notes at Addis Ababa May 18 and June 12, 1954. Entered into force June 12, 1954.

Luxembourg

Agreement amending Clause 13 of the standard offshoring procurement contract as approved by the exchange of notes of April 17, 1954.² Effected by exchange of notes at Luxembourg May 10 and July 16, 1954.

Mexico

Agreement reducing minimum contract period for migratory workers from six to four weeks, pursuant to exchange of notes dated March 10, 1954 (TIAS 2932). Effected by an exchange of notes at Mexico July 16, 1954. Entered into force July 16, 1954.

Philippines

Agreement extending the reciprocal free trade period provided for by the trade agreement of July 4, 1946 (TIAS 1588). Effected by exchange of notes at Manila July 7, 1954. Entered into force July 7, 1954; operates retroactively from July 4, 1954. Present agreement extends reciprocal free trade period to December 31, 1954.

THE DEPARTMENT

Abolition of Metals and Minerals Staff

Department Circular 110 dated July 12

Pursuant to the language contained in the Departmental appropriation act for fiscal year 1955, the Metals and Minerals Staff, Office of International Materials Policy was abolished effective July 1, 1954.

Designations

William J. McWilliams as special assistant to the Assistant Secretary for Economic Affairs, effective July 1.

Belton O. Bryan as Director of the Office of Munitions Control, effective July 2.

Arthur L. Burt as special assistant to the Director of the Office of Libraries and Intelligence-Acquisition, effective July 30.

Robinson McIlvaine as Deputy Assistant Secretary for Public Affairs, effective August 1.

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430	8/7	Dulles message to Henderson
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* Not printed.

† Held for a later issue of the BULLETIN.



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The Department of State

bulletin

V. XXXI, No. 791
August 23, 1954



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The Department of State bulletin

VOL. XXXI, No. 791 • PUBLICATION 5573

August 23, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
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PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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Communist Tactics in the Far East

by *Walter S. Robertson*
*Assistant Secretary for Far Eastern Affairs*¹

In asking me to speak to you today you could well have anticipated my talking about the Far East. If I were not to talk to you about the Far East, I am not sure what I would talk about. Since taking over my duties in Washington 16 months ago, I have seldom had the luxury of thinking of anything else. I am often reminded of Mr. Kipling's warning, "If you've 'eard the East a-callin', you won't never 'eed naught else." I can testify that so far this has been my experience, although the call which comes out of the East today is a far cry from the one of which Mr. Kipling was thinking. My chief complaint is that I generally begin to hear the call mounting about 4:30 a. m., a call full of deep trouble—mass suffering, economic and political instability, social unrest—all complicated and compounded by the ideological struggle which holds our world in a grip of tension and uncertainty.

When I received your invitation to speak, I was fresh from the Conference at Geneva—if "fresh" is the word. In thinking of what I would say to you, I assumed you might be interested in the impressions I brought home from that Conference.

The Geneva Conference dealt with the two areas of armed conflict between Communist and non-Communist nations in the Far East—Korea and Indochina. The Berlin Conference of 3 months earlier had dealt primarily with two areas of political conflict in Western Europe—Germany and Austria.

Since the first of the postwar Conferences of Foreign Ministers, we had come a very long way in understanding the Communist menace. We had come a long way from those days when we had deluded ourselves into regarding the Soviet Union admiringly as a wartime partner in the struggle against a common enemy, when we were wont to talk as if the Soviet Union were a democracy—presumably on the grounds that it was opposed to Nazi Germany. We had come a long way from the time when American public opinion was

being indoctrinated with that subtle propaganda that the Chinese Communists were not real Communists but merely democratic revolutionaries for agrarian reform. We had come a long way from the time when, in 1947, we had been jolted into reality by Winston Churchill's blunt statement that the Soviet Union had rung down an iron curtain between its domains and the non-Communist world.

But if we had come a long way in those years, the Communist movement had also come a long way. Between 1940 and 1954, the lands and peoples of Estonia, Latvia, Lithuania, Czechoslovakia, Poland, Hungary, Rumania, East Germany, Albania had been forced under the Soviet yoke. Having achieved at Yalta a key position in Manchuria as the price of its last-minute entry into the war with Japan already won by American arms and blood, the Soviets had made over to the Chinese Communists this invaluable base of operations along with the arms and military equipment surrendered by the Japanese. Thus mightily reinforced, the Chinese Communists, striking southward, had brought most of mainland China under their control by the end of 1949.

A few months later the Soviet Union and Communist China extended recognition to the so-called Democratic Republic of Viet-Nam in Indochina, a revolutionary regime under the control of the Communist-dominated Viet Minh League. Having reached the northern border of Indochina, the Chinese Communists were in a position to give vital military assistance to the Viet Minh. This assistance, despite our aid to the French and their Vietnamese allies, was sufficient to enable the seven divisions of the Viet Minh army to bring all northern Viet-Nam under their control except for the delta of the Red River and Dien-Bien-Phu in the extreme west by the time the Geneva Conference opened. After an heroic defense, Dien-Bien-Phu fell when the Conference was only 2 weeks old.

The Communists have had a number of important setbacks during these postwar years—setbacks both in Western Europe and in the Far East. The reverses they have suffered have not, however, been achieved without enormous cost to the free world—

¹ Address made before the Virginia State Convention of the American Legion at Richmond, Va., on July 30.

costs to the United States in military and economic aid programs totaling \$70 billion or more and, above all, costs in American lives. Of 142,000 American casualties, 23,365, in addition to hundreds of thousands of Koreans, were killed in defending the Republic of Korea against the Communist onslaughts.

Communist failures have been costly to the Communists too, but you may be certain the Communists are well content with the progress they have made in the past decade. They have every reason. Certainly the Communist representatives at Geneva, Mr. Molotov, Mr. Chou En-lai, and Mr. Pham Van Dong, gave every evidence of arrogant assurance and satisfaction, and the Soviet spokesman, Mr. Molotov, in particular, had an air of ease and affability you generally do not find among those who are wondering where their next meal is coming from.

The Communist Goals

What do the Communists want? The answer is "the world"—their world, our world, everything. Aside from their ideological dedication, which fires their objective of communizing the world, they have two compelling and practical reasons for striving constantly to extend their domain: (1) they need the resources of other countries and (2) they do not feel safe while any country adjoining their empire is not 100 percent Communist. If only one country in the world remained outside their grasp, the Communists would still complain that they were encircled and threatened. This is not a baseless neurosis. Tyranny has never felt secure and has never been secure as long as freedom existed anywhere. The Soviet tyranny differs from previous tyrannies only in being immeasurably more thorough. Inside the Soviet Union every effort has been made to destroy the very concept of freedom, to produce a new type of man and woman—the Soviet man and Soviet woman—who would not know what to do with freedom if they had it, any more than a member of a colony of ants or a hive of bees would know what to do with freedom. Controls over life within Soviet Russia are matched by the barriers that are maintained around Soviet Russia, which hermetically seal it off from the outside world. The aim of Soviet policy is to proceed with the "communization" of the peoples within the bounds of the Soviet empire and, at the same time, to push the bounds of that empire constantly forward to incorporate additional countries.

What the Communists mean by "peaceful co-existence"—a phrase which you hear much these days—is a state of nonwar between their world and ours, in which the process of detaching pieces of our world and absorbing them in theirs can continue with minimum risk to themselves.

This was made very plain at Geneva. Every Communist proposal about Korea had as its sole

objective the taking over of all Korea by the Communist regime in the North. If elections were to be held, then the arrangements had to allow the Communist North with its 7 million inhabitants to be given the same weight as the anti-Communist South with its 20 million, to enable the spokesman of 7 million to veto every move by the spokesman for three times that number. A settlement in accordance with any other principle than that of Communist control and domination of all Korea would not even be considered by the Communists.

It was the same with Indochina. What the Communists were interested in negotiating was a French surrender. You could exhaust every weapon of logic in demonstrating that a commission to observe an armistice in Viet-Nam should be impartial, composed of Asian nations like Pakistan, India, Ceylon, Burma, and Indonesia that had not taken sides in the cold war. But you would be wasting your time. The Communists would insist that the commission should include Poland and/or Czechoslovakia so that the commission could do absolutely nothing without Communist acquiescence. They have now been able to negotiate acceptance of a commission composed of India, Canada, and Poland under rules which require unanimity on all major questions "likely to lead to" a resumption of hostilities. Our experience in Korea makes us know what this means in practice—Poland will find ready excuses for vitiating any action disadvantageous to the Communists.

The Communists are dedicated to advancing their cause with a determination and single-mindedness that is hard for us even to visualize, let alone to equal. We are accustomed to seeing two sides to a case, or even three or four. And this is our pride. The Communists never see but one side. We have seen nothing in history to equal Communist fanaticism and bigotry, not even in the religious wars which at various times in the past came near to drowning various parts of the human race in blood. In the case of the Communists, however, fanaticism and bigotry are matched by a calculating, ruthless cunning.

Survival in the Communist World

Years ago we used to hear a great deal about the merciless competition prevailing in American business and of the flint-hearted qualities it took to succeed in the business world. Perhaps we shall have a better picture of the officials who determine Communist policy if we can imagine the kind of competition *they* have to survive. In the Communist hierarchy the stakes are not money but life, and failure comes not in the form of bankruptcy but of the torture cell and the firing squad. Every man is your mortal enemy—your subordinates, your superiors—each waiting to strike the first time you slip. Among all those with whom you work, whom you see, whom you talk to, there is not one you can trust, not one who, if you should

rr, if you should yield to an impulse of humanity, could not betray you without an instant's hesitation—would not *have* to betray you to save himself. Those who succeed in fighting their way to the top under such conditions are men who have conquered every scruple, whose concentration upon the amassing of power is unimpaired by any human weakness, undistracted by any other interest or consideration. Such are the men with whom you deal when you negotiate with the top Communist officials.

We may well ask whether there is any point in negotiating with the Communists at all. If what we have in mind achieving is any kind of give-and-take or any genuine understanding or basis of friendship, then, of course, there is no point whatever. The Communists are, however, ready to negotiate a termination of specific conflicts when they believe a termination is in their interests. In Korea, for example, the Communists had by last July decided that they stood to lose more than they would gain by continuing to refuse our terms and by prolonging the hostilities. In order to bring the war to an end, they even backed down on the point on which they laid the greatest stress. This was the question whether prisoners of war should be sent back, against their will, to the country of their origin, whether the U.N. would have to return to Communist control the nearly 50,000 North Korean and Chinese prisoners in its hands who had declared they would resist with force any efforts to send them back.

While having agreed to an armistice at Panmunm, the Communists at Geneva, however, as I have indicated, showed not the slightest intention to agree to a political settlement other than one that would extend their control over all Korea. At the same time, the fact that they were unable to obtain at the conference table the objective for which they originally launched the war—that is, control of the whole peninsula—has not led them to renew the war. Apparently they have given up the idea of achieving their objective by force—for the time being. The determining factor has been that our position in Korea has been a strong one. I think we may believe that the Communists also strongly desired to end the fighting in Indochina. Hostilities there had been going on for 8 years, and, undoubtedly, the problem of war weariness among the people was a very real problem for the Viet Minh. The loss of life has been such that even Communists—though they may regard human beings only as workers or cannon fodder—could not be indifferent to it. The war had impoverished the country. Finally, the Communists could not be sure of what the United States would do in any given set of circumstances in Indochina. And I may say that I personally am convinced that Communist China does not for a moment wish to involve itself in hostilities with the United States. They need time, not only to consolidate their gains, but to repair an economy badly crippled by the

shortage of essential raw materials and to quell a swelling internal unrest.

On the other hand, the French were under the strongest political compulsion at home to end the war.

It was obvious at Geneva that the Communists had taken the measure of the French public attitude and had determined to play the game on the basis that it was less important to them to end the war than it was to the French. They made every effort to appear quite ready to go on fighting. In the period before the Geneva Conference, they greatly stepped up their military operations in Indochina with a view to enhancing, regardless of costs, their advantages at the conference table—advantages they pressed for all they were worth during the negotiations. The relationship in the Communists' minds between military action and negotiation has never been made clearer.

Our Role in Indochina

For its part, the United States was determined to do all it could to strengthen the French and Vietnamese position. We made clear our readiness to continue our massive support of the military effort of the French and their Vietnamese allies. We attempted to bring about united action in defense of Indochina. We indicated that we ourselves would be prepared to intervene with our own military forces on certain conditions. It might appear that these actions on our part were ineffectual. For the purposes intended they were, but it is probable that their effect was important and that without them an agreement even more unfavorable to the French, the anti-Communist Vietnamese, and the free world would have resulted.

It would be an understatement to say that we do not like the terms of the cease-fire agreement just concluded. However, not being a belligerent possessed of a primary responsibility, we were obviously in no position to dictate the terms under which others would or would not continue fighting. What is of first importance now is to prevent further Communist expansion—first by arousing Asia's unwitting masses to an awareness of the ruthless enslavement which threatens them, and second by the rapid organization of a collective defense pact in Southeast Asia. A bite here, a bite there, and the Asian pie would soon be eaten—with whetted appetite for other flavors certain to follow. If experience in Indochina has taught the free world to look the facts in the face and decide what it is willing to do to halt communism—as President Eisenhower suggested might be one good result—an effective defense of Southeast Asia should certainly be possible.

Experience teaches that all we can expect in negotiating with the Communists is the acceptance—tacit or expressed—of a situation that has already come about as a result of a power equation. The Communists press forward until the force of

resistance matches the force of their advance. At that point, you can get an agreement to stabilize the situation. The Communists will respect an agreement so long as—but no longer than—the opposing force is manifestly strong enough to make it more advantageous for them to maintain the agreement than to violate it. This almost makes it sound as if the only situations in which you can get an agreement with the Communists are those in which you can do without an agreement. And that is true. However—and this consideration is what guided us in our Korean policies—it is better to have a limited and uneasy agreement, provided, of course, it does not weaken your overall position, than to have continuing bloodshed even if the agreement does little more than stop the bloodshed.

There is another good reason for negotiating with the Communists, and this reason was very much in our minds when we agreed to the Berlin and Geneva Conferences. Throughout the world there is fear of another general war and a longing for peace both among the free peoples and the peoples behind the Iron Curtain. Because of the strength of these feelings, the Communists are under the greatest compulsion to make it appear that the tension existing in the world today—the threat of war that hangs over the human race—has its origin in the United States where the “Wall Street monopolists” are depicted as constantly devising strategies for the exploitation of the world.

It is essential that we expose, for what it is, this perversion of the truth upon which the whole Communist propaganda effort depends, with all its paraphernalia of peace appeals and peace congresses. Even though we know from experience that the chances of achieving through negotiation with the Communists a settlement of any of the outstanding sources of division between the Communist world and the free world, based on the rights of the peoples involved, are almost nil, we must still make clear by our readiness to negotiate that it is the Communists alone who stand in the way of such a settlement. However maddening it may be to try to negotiate with the Communists, such negotiations at least give us the opportunity to show the Communists up once more for what they are, to expose their determination to cling to their spoils, to hold forever to every acre of land, every village they have seized by whatever means.

You may question why it is necessary to keep on exposing the Communists—how there could be anyone left in the world who does not understand what kind of people the Communists are and what they are trying to do. The truth is, I suppose, that human beings are only too inclined to believe what they wish to believe. In addition to a profound ignorance of the nature and objectives of the Communist movement, there is a strong desire among many to believe that the differences between the

free countries and the Soviet camp—though these derive primarily from the expansionist drive inherent in the Communist movement—could readily be adjusted if only we could find a fair formula. There is a considerable sentiment in favor of relaxing the sanctions that have been imposed upon the Communists—dismantling the structure of trade controls, doing business with the Communists, and acquiescing in Chinese Communist representation in the U.N.—all of which would increase immeasurably the war potential of the Communist bloc and Red China's prestige throughout Asia.

Question of Red China in the U.N.

The recognition and seating of Red China in the United Nations is the cornerstone of Communist policy today—a policy aided and abetted by many free nations plus a subdued but active minority in this country. Why is our Government opposed? For the best of all reasons—

The U.N. is *not* an organization of *de facto* governments. It is an organization of nations which under its charter have renounced war as an instrument of national policy and have pledged themselves to take collective action to oppose aggression and preserve the peace. Red China is at war in Korea today. With whom? The United Nations. The war in Indochina was inflamed, supplied, and captained by Red China. The truce just concluded was negotiated with Mendès-France by Chou En-lai, the Red China Foreign Minister, not by Pham Van Dong, representing the Ho Chi Minh regime. Red China has also flagrantly violated the international obligations assumed by responsible governments. It has confiscated our properties and, incidentally, the properties of the British as well, despite Britain's prompt recognition in 1950. It has imprisoned our nationals without trial, tortured and brain-washed our soldiers. It is an outlaw-gangster regime, unpurged of its crimes and aggressions, and unfit to sit in any respectable family of nations.

You ask, is it not a farce to keep Red China out when Soviet Russia, an ally in its aggressions, is a member? A fair question. But it so happens we can't do anything about Russia's membership. Russia is a charter member, participating in the founding of the U.N. in 1945 at a time when she was an ally of the Western World, presumably subscribing to the obligations imposed by the charter. And being a charter member of the Security Council, it would be impossible to expel her whatever her repudiations or aggressions. Is this frustrating fact any reason for compounding the error? To the contrary, it is all the more reason for not increasing the power in the U.N. of a membership which flouts all the ideals and principles upon which the organization was founded.

Despite the Communist record, there is a feeling

in some quarters that if we would only modify our opposition to the Communists, the Communists might modify their opposition to us. Insofar as this spirit is the product of an intimate experience with war and a vivid apprehension of what World War III must be, we can certainly sympathize with it. But the fact that we do not share it does not mean that we are any less averse to war than anyone else. No nation in history has shown itself more eager than ours to avoid war except as a last resort in the face of triumphant aggression. There is, however, another factor involved in this. The very resoluteness of our own opposition to the further expansion of communism has given others the chance to take a—what shall I say?—less extreme position and to rationalize their hopes for a meaningful *modus vivendi* between the two worlds. Back in 1946 and 1947, when it was by no means clear that the American people were going to recognize the Communist threat in Europe and Asia as a threat to their own security, the nations in the immediate path of Communist aggression were urging us to recognize the peril and to take measures against it. Today, because of the very strength that we have developed against Communist expansionism, others may feel they can afford to relax their own vigilance. What has happened has been inevitable. The nation or the individual that holds a preponderance of power is always the one that bears a preponderance of responsibility. There is a considerable amount of so-called neutralism in the world today, but I venture to say that in the back of every neutral's mind there is the realization that if neutralism is safe it is only because the United States is strong and is resolutely *not* neutral.

There was a time when the shoe was on the other foot, when we in America could afford an attitude of detachment, knowing that an aggressor in Europe would have to overcome the invincible British Navy and cross the seas before he could threaten us directly.

U.S. Responsibility

The task that devolved for so long upon Great Britain now devolves primarily upon us. It is up to us to provide the main strength in a coalition of peaceful nations threatened by aggression and, at the same time, to bear the largest responsibility for holding that coalition together. If we are to supply a unifying force on the side of the free nations today, we must demonstrate—not once or twice but in the daily conduct of our affairs—that what we are seeking in the world is what other free peoples are seeking, that we are striving not to impose a *pax Americana* or an American orthodoxy upon the world but to give every other people the chance to be what it wants to be. We must show that our power is power on the side of peace and not of war, that the prolongation of the cold

war is not of our choosing but is the sole responsibility of the Communists. To do this is not as easy as it sounds. Our very strength, our very preparedness, our very alertness to the Communist danger inevitably lend themselves to misinterpretation and give concern to those who—while they would be dismayed if we were not strong and ready—would like to think that, if only the United States would be more accommodating, the Communists might prove more tractable.

We shall always be under the temptation to let down our guard, to surrender our advantages, to demonstrate how amiable and accommodating we really are. For us to do so would, of course, mean the end of us all. Every day since my first intimate contact with the Communists back in 1945 I have had continuing reason to become convinced of one simple truth. That is that the only successful resistance to Communist expansionism is strength. Just as only strong societies achieve democratic self-government, only weak societies fall victim to communism. The weakness may be military or it may be political. In June 1950 we saw what happens when a country in the path of Communist expansionism is militarily weak. The Communists had tried by every artifice of subversion and penetration to undermine the Republic of Korea but had failed. They resorted, in consequence, to their military advantage and launched an attack of overwhelming force upon their victim. In Indochina we have seen the consequences of political weakness on the anti-Communist side. The Communists there were able to turn to their advantage the strongest political force of our times—the force of nationalism. They achieved ascendancy in the anticolonial movement because for so long the choice for the Vietnamese seemed to be between siding with Communists who were native or with the French, who were not. But military or political, it is always weakness that leads to Communist success. The free world must see to it that there are no more Koreas and no more Indochinas.

In concluding I should like to make a point that I have made before in speaking in public—a point I trust I shall never tire of making. Being a Virginian, I suppose I just assumed that it was Thomas Jefferson who originated the famous epigram, "Eternal vigilance is the price of liberty." It was something of a shock some years ago when I learned for the first time that Jefferson and the rest of his generation of Americans were just paraphrasing—and paraphrasing not an American but an Irishman by the name of John Philpot Curran. And what the Irishman said was much more meaningful than the American paraphrase. Speaking at Dublin in 1790, Curran warned, "It is the common fate of the indolent to see their rights become the prey of the active. The condition upon which God has given liberty to man is eternal vigilance." Could there be a more timely or pertinent inscription for our hearts and minds today?

Conference on Collective Security in Southeast Asia

Press release 443 dated August 14

The Government of the United States has agreed with other like-minded Governments that the situation in Southeast Asia calls for the establishment of a collective security arrangement, in accordance with the purposes and principles of the Charter of the United Nations, to strengthen the fabric of peace in the general area of Southeast Asia and the Southwest Pacific.

Accordingly, the Government of the Philippines having offered facilities in Baguio, the Foreign Ministers of the Governments concerned have agreed to meet there on September 6 to consider measures to further their common objectives in the area. This meeting follows consultations between the U.S. Government and other Governments over the past 4 months.¹

U.S.-Philippine Council To Meet in September

Press release 444 dated August 14

The United States and the Philippines have agreed to a meeting of the United States-Philippine Council, which was established on June 23 by an exchange of notes between the two Governments.² Secretary Dulles will accordingly meet with Philippine Vice President and concurrently Secretary of Foreign Affairs Carlos Garcia in the Philippines on September 4. Matters of mutual concern with respect to the defense of the Philippines will be discussed.

Advance Notice of Philippine Trade Negotiation Hearings

Press release 436 dated August 11

The U.S. delegation for consultation and negotiation with a delegation from the Republic of the Philippines regarding possible modification of the 1946 Agreement on Trade and Related Matters gives notice that it will conduct public hearings and receive briefs from any interested person, partnership, or corporation at dates and places to be announced later.³

These hearings will be held during a recess in consultations between the two delegations. The consultations, which are expected to begin in

¹ Simultaneous announcements were released by the Governments of Australia, France, New Zealand, Pakistan, the Philippines, Thailand, and the United Kingdom.

² BULLETIN of July 5, 1954, p. 14.

³ Released simultaneously at Manila.

Washington in a few weeks, will cover all aspects of the 1946 agreement and any related matters, including particularly tariff arrangements, parity treatment, and currency provisions.

The 1946 agreement is based on the "Philippine Trade Act of 1946," (Public Law 371 of the 79th U.S. Congress). A continuation through December 31, 1955, of the reciprocal free trade provision of the agreement was recently approved by the two Congresses (Public Law 474 of the 83d U.S. Congress) to permit time for the consultations and negotiations to which this notice refers.

Economic Position of Japan

News Conference Statement by Secretary Dulles

Press release 435 dated August 10

The United States recognizes that one of the major postwar problems is the problem of finding opportunities whereby Japan, with its large and industrious population, can find a way to earn a useful and profitable living in the world.

Japan itself possesses very few natural resources, and it does not produce enough food for its people. It produces normally about 80 percent of the foodstuffs that the people require. This year it produced somewhat less because there was a bad failure of the rice crop. That means the Japanese have to be importing goods and raw materials and manufacturing raw materials into articles which the rest of the world needs. Goods which are distinctly of Japanese origin generally pay rather high tariff duties throughout the world because Japan has not been heretofore brought into the GATT organization, nor does it benefit from the reductions which have been made in tariff rates in favor of the distinctive products of many other countries.

It is the hope of the United States that steps may be taken to improve the opportunities for Japanese trade, not just in the United States, but in other countries of the world where there are actually more natural markets for much of what Japan produces. There is no necessity actually to increase largely Japanese imports to the United States. What is needed, rather, is to try to find other areas of the world where the type of goods which Japan produces will be able to find markets.

The problem is a many-sided one. The negotiation of a trade agreement on a multilateral basis is one angle to the problem. Another angle to the problem is the need for an austerity program in Japan, which has been lacking somewhat over recent years but which seems to be taking shape at the present time. Also there is the importance of developing markets in Asia, particularly in the Southeast Asia area, where there are large popu-

ations which need the kind of things which Japan makes so well and which also produce food and raw materials which Japan needs.

All of these aspects of the problem need to be explored and I hope will be explored.

Asked whether, in view of the fact that the administration asked for no economic assistance for Japan this year, it may be necessary for the United States to reconsider the possibility of some direct assistance to Japan this year, Mr. Dulles replied:

It is possible, but we do not think that that will be necessary. It may be desirable to make available some foodstuffs to Japan out of our surplus food crops and to do so on terms which would be liberal from the standpoint of payment—possibly in terms of local currency. But we do not anticipate the necessity for any economic aid to Japan, on the assumption that the Japanese handle their own fiscal and commercial affairs with prudence and firmness.

It seems to us the situation can be dealt with without any direct economic aid. There is, of course, a certain amount of assistance that goes to Japan through our contribution to their enlarged security program. There are still a substantial number of U.S. troops in Japan who are spending money there. In that way there is a considerable amount of what you might call invisible exports to Japan which runs up into terms of several hundred million dollars. This is not nearly as big as it was at the height of the Korean War, when there were heavy purchases in Japan for use in Korea. There is a certain decline there, but the figure is still quite a substantial one.

Aid to Refugees in Indochina

Harold E. Stassen, Director of the Foreign Operations Administration, announced on August 5 that 2,000 tents to shelter 40,000 people are being rushed—some of them by airlift—from Japan to Viet-Nam for temporary use of refugees who leave their homes to escape the Communists. "We are glad to give assistance in this voluntary movement of people who wish to escape being forced to live in an area under Communist domination," Mr. Stassen said. "For this reason we are responding to the need of the Government of Viet-Nam in meeting this urgent requirement."

The tents are part of a program authorized by the Foreign Operations Administration from 1955 funds for relief and rehabilitation and other help to Viet-Nam, Laos, and Cambodia, which in the month of July amounted to \$2,060,000.

Mr. Stassen also announced that two Foa experts on refugee and resettlement programs have been temporarily transferred from Germany and Hong Kong to assist with the problem of refugees from North Viet-Nam.

"The tent airlift operation is to be completed today when the last payload is scheduled to be set down in Saigon," Mr. Stassen said. "Five hundred more are due to arrive August 8 by ship, and 1,000 more are en route."

The 500 airlifted tents, packed in crates and weighing over 200,000 pounds, were all in Saigon 7 days after they were requested. Mr. Stassen said he received an urgent request from Saigon for the tents on July 29. The same day an arrangement was completed with the Department of Defense to supply them from stocks in Japan, and U.S. officials in Japan were instructed to rush them to Saigon. Twenty-five planes were used.

"On July 31 the airlift started," Mr. Stassen said, "and 500 more were loaded that same day on a ship which will arrive Sunday. The tents are being immediately set up in resettlement centers by the Government of Viet-Nam, which is mobilizing young men to prepare the sites. Foa is providing the hand tools for this work."

About two-thirds of the July authorizations—or \$1,350,000—is to meet relief and rehabilitation and other emergency needs resulting from the Geneva agreement to turn North Viet-Nam over to the Communist-led Viet Minh Government within 300 days.

The purchase of lumber and asbestos roofing and siding needed in the refugee shelter program was also approved. Various items, including hand tools and 11,373 blankets for the refugee reception centers, were approved. Existing government agency stocks are being tapped whenever possible to meet emergency needs.

Mr. Stassen said that \$50,000 was also authorized to pay for the cost of moving about \$1 million worth of U.S. cotton from Haiphong to Formosa to prevent it from falling into Communist hands. The cotton, which had been provided as U.S. economic aid to supply the textile mills of Northern Viet-Nam, had been warehoused at that port city. The purchase price paid by Formosa is to be applied to the Viet-Nam Foa program funds.

The remainder of the July procurement was authorized to provide materials needed for longer-range projects. It included \$90,000 worth of jute bags needed to sack Cambodia's next rice crop; \$165,000 worth of road construction equipment for Cambodia; and \$60,000 worth of steel pipe for Viet-Nam and \$40,000 worth for Cambodia, to maintain vital irrigation facilities.

Laos, which is landlocked and essentially dependent upon river transportation, received authorizations for the purchase of two diesel-powered towboats for \$275,000 and two truck-mounted cranes for use at the river ports of Voen Kam and Kinak for \$40,000. The boats and cranes will improve the movement of freight on the Mekong River which is an important link in the river-and-road connection between Saigon, Viet-Nam's capital, and Vientiane, the administrative capital of Laos.

Another \$40,000 authorization was for the purchase of public address systems and radio and audio-visual equipment to be used by the Laotian Information Service in expanding facilities for the dissemination of information to the population.

Iranian Oil Settlement

LETTERS TO U.S. NEGOTIATORS

White House press release dated August 7

The White House on August 7 made public the following letters from the President to Herbert Hoover, Jr., and Loy W. Henderson, American Ambassador to Iran.¹

The President to Mr. Hoover

DEAR HERBERT: I want to express again my deep appreciation of your outstanding contribution to a realistic and equitable settlement of the Anglo-Iranian oil dispute which has so long been a threat to the stability of the Middle East.

My appreciation of the contribution you have made is enhanced by the fact that I have known something of the personal sacrifice you have made in order to assist us. I have in fact felt concerned, as the many months involved went by, by knowing that your absence from your own business affairs was extending far longer than we had originally planned. The fact that you chose, without urging, to stay with the problem until its solution, has been a great source of satisfaction to me and to members of the Cabinet.

The conclusion of this agreement, which promises to further progress in Iran as well as our objective of maintaining peace in the area, is due in significant measure to your expert knowledge of the international oil business, to your persistence and to your skillful diplomacy.

I am personally grateful to you.

Sincerely,

DWIGHT D. EISENHOWER

The President to Ambassador Henderson

DEAR MR. AMBASSADOR: I want you to know that I personally appreciate the splendid results of your work on the oil problem in Iran. Your knowledge of the situation, your resourcefulness, your judgment and your tireless patience in the face of repeated frustration contributed greatly to the happy arrangements which have now been worked out.

The present solution of the Anglo-Iranian oil

¹ For earlier messages and statements relating to the oil settlement reached on Aug. 5, see BULLETIN of Aug. 16, 1954, p. 230.

dispute, for which you deserve such a large share of the credit, is a major achievement which will not only further our objectives in the Middle East but also contribute to our good relations with our European allies and our friends in other parts of the world as well.

I am most grateful to you for this successful effort on behalf of the Government and people of the United States.

Sincerely,

DWIGHT D. EISENHOWER

REPLIES FROM IRANIAN LEADERS

White House press release dated August 9

The White House on August 9 made public the following communication to the President from His Imperial Majesty Mohammad Reza Shah Pahlavi, Shahinshah of Iran, together with a communication to Secretary Dulles from Foreign Minister Abdollah Entezam on behalf of Prime Minister Fazlollah Zahedi and himself.

The Shahinshah to the President

MR. PRESIDENT: I am deeply grateful for your letter of August 5th and appreciate the friendly feelings which have inspired it.

It is, indeed, a source of satisfaction to me that my government has been able to arrive, in principle, at a settlement of the oil dispute, which, in the light of present world conditions, appears to be as equitable a solution of a difficult problem as could have been reached.

Ever since nationalization of the oil industry which corresponded with the aspirations of my people, it has been my constant endeavor to facilitate and hasten a fair agreement within the framework of the relevant laws.

You can rest assured that the valuable contribution which you personally, Mr. President, The American Government and your distinguished Ambassador, Loy Henderson, have made to this end is highly prized.

It is now my hope that the implementation of the agreement will not be long delayed.

With the attainment of this goal and with increased American assistance, I share your feeling that we may look forward to an era of economic and social development which will improve the lot of my people, as well as further consolidate the security of the Middle East.

I cannot sufficiently lay stress on the fact that American assistance to Iran has been most timely and helpful. My people reciprocate to the full the friendship of your noble nation.

Whilst renewing the expression of my gratitude for your cooperation, I tender warm wishes for the welfare of the American people under your wise leadership.

Yours Sincerely,

MOHAMMAD REZA PAHLAVI

Department of State Bulletin

Foreign Minister Entezam to Secretary Dulles

EXCELLENCY: I am deeply grateful for the sincere congratulations extended by Your Excellency. His Excellency the Prime Minister and myself on the occasion of the reaching of an agreement in principle between the Government of Iran and the Iranian National Oil Company and the representatives of eight companies, and I especially consider it to be my duty to express my sincere gratitude for the sincere efforts of the Government of the United States of America in rendering this agreement possible.

I hope that substantial quantities of Iranian oil, which represent our major national resource, will begin to flow abroad at the earliest possible time, and that the Imperial Iranian Government will be able with revenues derived therefrom to carry out its economic and social programs for raising the standards of living of the Iranian people. I realize that the execution of these programs will play an important part in the maintenance of peace and international security and I am sure that the honorable officials of the United States of America are doing all they can to assist in the economic and social development of Iran.

I avail myself of the opportunity to renew to your Excellency the assurances of my high consideration.

ABDOLLAH ENTEZAM

The "Good Partner" Policy

Press release 432 dated August 10

At his news conference on August 10, Secretary Dulles was asked about the reference of President Eisenhower to the term "good partners" and in connection to the impression created abroad at the United States in the past had attempted to use foreign aid as a political leverage to "coerce or cajole" foreign countries to move in a direction he thought best. Mr. Dulles made the following reply:

Well, I did not find that there was anything startling in the way of an innovation in that expression of the President's. It seems to me that it has been the policy of the United States and of the Eisenhower administration in particular, since it came into office. As I say, I did not regard it

myself as being the expression of any new or different policy from what we have been pursuing.

I can recall a statement which I made about a year ago in which I very explicitly rejected any idea of coercion.¹ I said we did not want to have allies who are subject to coercion; that we wanted them to be independent and able to act in their own right; and that allies which were in effect "satellites" were not what we wanted at all. In fact, the independence of judgment which is finding expression in many friendly and allied states seems to me to mark the success of our policy—not its failure.

We have been helping to build these countries up into strong, self-reliant, independent countries, capable of expressing a viewpoint which would usefully contribute to the consensus of judgment of the free world. We want them to be able to act in that capacity, and the fact that they now have that capacity is, I say, a mark of the success of our policy—not a mark of its failure.

Launching of St. Lawrence Power Project

Following is the text of a message from President Eisenhower read by Governor Thomas E. Dewey of New York at ground-breaking ceremonies for the St. Lawrence River power development project, held on August 10 at Massena, N. Y., and Cornwall, Ontario.²

On this very happy occasion marking the beginning of the fulfillment of a dream we have long cherished, I extend my best wishes to Prime Minister St. Laurent and Governor Dewey and my heartiest congratulations to the officials of the Ontario Hydroelectric Commission and the New York Power Authority.

The St. Lawrence project, which will bring so many material blessings to the people of our two countries, will be yet another strand in the strong fabric that binds the destinies of Canada and the United States.

Sincerely,

DWIGHT D. EISENHOWER

¹ BULLETIN of Dec. 14, 1953, p. 811.

² For background on the project, see BULLETIN of July 14, 1952, p. 65; Dec. 29, 1952, p. 1019; and Nov. 23, 1953, p. 724.

Building Strength Through Cooperation

by Douglas Dillon¹
Ambassador to France

I am very honored to be with you today and to participate with you in the celebration of the 10th anniversary of our common victory over the forces of aggression and darkness.

I am particularly proud to be present at the inauguration of this magnificent monument that will recall forever that it was here that the forces of General Patton broke through to open up across France the "Voie de la Liberté."

Our debt to those who fought and died here and our responsibility toward them is great. Let us show a measure of our gratitude not only by recalling their sacrifices, as we do today, but by continuing to exert all our energies, all our minds, and all our wills to preserve and strengthen the peace and freedom for which they fought and, having achieved them, which they entrusted to us.

Today, we recall with special poignancy that only a short 10 years ago there was war here. The cannons are stilled now, and the men in uniform we see around us are part of the defensive shield behind which the free nations have grouped themselves in order to protect the fruits of their victory and to work together to efface the scars of war.

I shall not speak to you of the nightmare that is war. You know only too well what it is. You experienced its horrors at firsthand. All of you suffered because of it.

Terrible destruction was the inevitable consequence of the drive by General Patton's divisions toward victory. But you have worked with magnificent courage and with success in rebuilding your city. I have heard that your gardens are resplendent with flowers and that your industry and horticulture are thriving. The wounds of war have almost entirely disappeared. For myself, I am delighted to be a guest of your lovely city. As millions of other Frenchmen, you have raised your country from the ruins and have returned it to its

traditional role as an example and an inspiration to free men everywhere.

As awful as was the last world war, it taught us that we should not despair for the future. It showed us what can be accomplished when men work together courageously and with good will toward a common goal.

But the hopes for continued cooperation, which flamed so high in the flush of victory 9 years ago, have flickered dangerously low since then. And the foundation for peacetime unity, built at such a heavy price, has been subjected to terrible strain.

Today I would like to be able to say that the last world war convinced all nations of the wrongness and the futility of territorial aggrandizement by force of arms and the oppression of other people.

But we know this conviction did not become universal. We know it by bitter experience that it has again cost human life and anguished our homes. We have seen this in Korea and in Indochina where, may we say with gratitude, now the guns are stilled.

We know too that if we are to survive, if hope is to be kept alive for a future free from fear, that we must look at the world as it is and not simply as we would like it to be. And we must guide ourselves accordingly, building defenses in unity around the peace so dearly won.

We have learned, however, that there is a key to victory in both peace and war. That key is cooperation, based on mutual trust. It was the cornerstone on which we together built the victory of 1945. It is equally the cornerstone of the effort of free nations are now making to keep the peace.

This idea of peace through strength and of collective action in the face of danger is not new. One hundred and sixty years ago, President George Washington wrote to the Congress of the United States that "if we desire to secure peace . . . it must be known that we are at all times ready for war." And in 1945, Gen. George Marshall wrote: "We must, if we are to realize the

¹ Translation of an address delivered in French at the inauguration of the General George Patton Memorial at Avranches, France, on July 31.

opes we may now dare have for lasting peace, to force our will for peace with strength. We must make it clear to the potential gangsters of the world that if they dare break our peace they will do so at their great peril."

To implement this hope and to meet this need, the free nations have banded together for mutual security and have pledged collective action in the event of aggression.

Thus it was that 14 nations including France and the United States joined together in the North Atlantic Treaty Organization. And the European Defense Community, when it comes into effect, will coalesce the forces of six West European nations into a common front to discourage all aggression. I would like to emphasize the defensive character of these treaties. They were not conceived in 1945 when victory was ours and the world seemed on the threshold of a new and enlightened era in which wars would not happen because no one would want them to happen. They were conceived as the direct result of the threat posed against the free nations by the leaders of Soviet communism and their satellites in the years following the war. I refer to refusal of the Soviet Union, at the end of the war, to follow the lead of the United States, the United Kingdom, France, and the other Western nations in disarming. I refer to the Soviet buildup of aggressive military forces in its satellite neighbors, and of the Communist efforts against peace in Prague, in Berlin, in Indochina, in Korea, and elsewhere.

This threat of aggressive communism still exists. As long as it does exist, nations and peoples who value their freedom must stand together against the common danger, ready for war in order to remain at peace.

I have referred to cooperation among the free nations during the last war and in the years since then. But I have spoken chiefly of the military aspects of this cooperation.

There are of course other aspects, embodied in the United Nations, the Organization for European Economic Cooperation, the Coal and Steel Community, the Marshall plan, and the point 4 program to aid underdeveloped areas. Nor are these less important aspects of international cooperation. They could be, and indeed should become, the very keystone of the peace that so many have sought to achieve.

It is by our constant dedication to the principle of strength through cooperation and unity that we can best repay our debt to the valiant soldiers of General Patton whom we honor today.

U.S. Planes To Use Dutch Airbase

White House press release 445 dated August 14

In furtherance of general NATO objectives, the governments of the United States and the Netherlands

August 23, 1954

have agreed that a fighter squadron of the USAF will be stationed at the Dutch airbase of Soesterberg in the near future. The two Governments have entered into an agreement concerning the juridical, fiscal, and other problems relative to the stationing of this American unit in the Netherlands.

Through this agreement the foundation has been laid for a form of cooperation which is of the utmost importance for the defense of the Netherlands. It increases the individual and joint capacity of allied nations to resist armed attack, an important objective of NATO and of U.S. foreign policy.

The agreement was signed on August 13 at The Hague and will come into effect as soon as Dutch Parliamentary approval has been obtained.

Disposition of German Assets

White House press release dated August 10

Following is an exchange of correspondence between the President and Konrad Adenauer, Chancellor of the Federal Republic of Germany.

The President to Chancellor Adenauer

AUGUST 7, 1954

DEAR MR. CHANCELLOR: I was very much interested in your views on the question of the disposition of vested German assets in the United States, contained in your letter of July 17, 1954; and I appreciate the spirit in which your comments were offered.

You refer particularly in your letter to the hardships imposed on a large number of persons, many now advanced in years and without other means of support, whose small holdings in this country, in the form of pensions, life insurance policies, interests in estates, and bank deposits, have been vested. You state that early action to provide relief in such cases would be a major contribution to the strengthening of the ties of friendship between our two countries.

Because of the great dislocation in the German economy which took place as a result of the war, the Allied Governments decided to look to German assets in their territories as a principal source for the payment of their claims against Germany. The recovery of the German economy, which has progressed so rapidly and so well under your administration, was thus not hampered by a large reparation burden. In considering the problem of the vested assets, it is necessary therefore to take into account legitimate claims on the part of American citizens arising out of the war for which some provision should be made, if the original approach is reversed.

I am aware of the measures taken by the German Federal Government under your high-minded leadership to contribute to the relief of victims of

Nazi persecution,¹ and to re-establish normal economic and commercial relations with the countries of the free world. I also share your sympathy with individuals in straitened circumstances in Germany for whom the operation of the vesting program in this country created particular hardships. I am hopeful that it may be possible to take some remedial action in such cases, and at the same time provide some measure of compensation to those American nationals who incurred losses arising out of the war, with resultant hardship in many cases.

As you know, the solution of this complex of problems lies with the Congress. Several bills dealing with the subject are now pending there, and members of my Cabinet and other Government officials have appeared and expressed their views.² None of the measures thus far proposed have the approval of my Administration, but you may be assured that this problem is receiving earnest consideration and it is my hope that a fair, equitable and satisfactory solution can be arrived at.

Sincerely,

DWIGHT D. EISENHOWER

Chancellor Adenauer to the President

JULY 17, 1954

Mr. PRESIDENT: The Federal Government follows with special interest efforts of the US Congress to find a solution to the question of seized German assets in the United States. Despite the favorable development of relations between our two countries, this problem has remained unresolved. A solution to it is a special wish of my government. Thousands of Germans who through no fault of their own find themselves in an unfortunate economic situation, old people and pensioners, beneficiaries of insurance policies and inheritances, hope that now, nine years after the end of hostilities, their property will be released. Among them are numerous persons who have lost their means of livelihood and homes as a consequence of the war. For all of them an early release would alleviate their hardships. Many Germans would be able to build their lives anew with these means. Moreover, seizure of these assets has affected precisely those German firms and persons, who through personal and business connections with the United States, have for many years

¹ For an article on these programs, see BULLETIN of July 26, 1954, p. 126.

² For texts of a statement and a letter by Secretary Dulles, see *ibid.*, July 12, 1954, p. 69.

formed the traditional bridge of friendship between our two countries. For them as well, the unresolved problem is an element of uncertainty.

In the opinion of the Federal Government and of the entire German public, the Federal Republic has expressed its will to contribute to reconstruction on the basis of common principles of the Western world through recognition of German foreign obligations in the London debt agreement, through ratification of the Bonn and Paris agreements, and through conclusion of the Israeli agreement. An early solution to this problem lies specially close to the hearts of myself and my government. It would not only have a far-reaching favorable psychological effect in that it would give the German people a feeling of security and increase its moral strength, it would also make a considerable contribution to furthering the friendship between our two peoples, so promisingly begun.

As head of the government of the Federal Republic, may I voice a request to you, Mr. President, that a contribution will also be made from your side that the hopes, so recently given life, will not be disappointed. Accept, Mr. President, the expression of my highest consideration.

ADENAUER

U.K. Grants Perpetual Rights for American Military Cemetery

Press release 438 dated August 12

The Government of the United Kingdom has granted the United States perpetual rights to the use of the land occupied by the American Military Cemetery near Madingley, England. In informing the United States of this decision the British Foreign Office stated:

As a contribution toward the happy relationship between this country and the United States of America, the University of Cambridge have now arranged for the land in question . . . to be conveyed, in the form of a gift, to Her Majesty's Government in the United Kingdom of Great Britain and Northern Ireland. As a result of the discussions, Her Majesty's Government are ready to make the land . . . available to the American Battle Monuments Commission for use as a cemetery . . . for as long as it may be required for that purpose.

This generous and thoughtful gesture on the part of the University of Cambridge and the British Government will enable the United States through the American Battle Monuments Commission, to maintain the ground, 3 miles west of the city of Cambridge, as a perpetual monument to the 3,811 U.S. servicemen who are buried there.

Aid to Flood Areas of Eastern and Central Europe

MEMORANDUM FROM THE PRESIDENT

On August 12 the White House released the following memorandum from the President addressed to the Secretary of State, the Secretary of Agriculture, the Director of the Bureau of the Budget, and the Director of Foreign Operations.

White House press release dated August 12

In accordance with my statement of July 29, 1954,¹ with regard to the extension of aid throughout the flood areas of Eastern and Central Europe, and in accordance with the recommendation contained in the memorandum of August 12, 1954, submitted by the Director of the Foreign Operations Administration, and pursuant to the authority vested in me by Title II of Public Law 480, 83d Congress, 2d Session, I hereby determine that up to \$4,000,000 worth of agricultural commodities from the stocks of the Commodity Credit Corporation may be used for the purpose of providing emergency assistance in meeting flood and other urgent requirements in Austria, the Federal Republic of Germany, and the Soviet Zone of Germany. The maximum amount of \$4,000,000 is computed on the basis of the Corporation's investment in the commodities made available for export, including processing, packaging, inland transportation within the United States, and handling costs.

The Secretary of State shall conclude any necessary bilateral agreements with the governments concerned in connection with the furnishing of this assistance.

Arrangements for the operations of this relief program, including the specifications of the commodities and the provision of Mutual Security funds to cover the costs of ocean transportation of the commodities, shall be the responsibility of the Director of the Foreign Operations Administration and the transfer of the commodities shall be upon such terms and conditions as the Director determines to be appropriate, after consultation with the Secretary of State.

ACCEPTANCE BY HUNGARY

White House Press Secretary James C. Hagerty on August 12 issued the following statement:

The President has been informed that the Hungarian Government has accepted his offer of help to the flood victims in that country. Foreign Minister Boldocsky has expressed his Government's

warm thanks to the President and the American people.

The President is gratified that his offer has been accepted. The League of Red Cross Societies has been requested to get in touch with the Hungarian Red Cross to work out the necessary details.²

LETTER FROM AMBASSADOR CONANT TO SOVIET COMMISSIONER IN EAST GERMANY

On August 6 the following letter from U.S. High Commissioner for Germany James B. Conant was delivered to the office of the Soviet High Commissioner, Georgi M. Pushkin.

I refer to your letter of August 5³ and I am gratified by your acceptance of the offer of relief for flood sufferers in Eastern Germany, made by the President of the United States in his message of July 29.

As indicated in the President's message, it is the intention of my Government that the carrying out of this program should be entrusted to private welfare agencies. The League of Red Cross Societies has been requested to assume this task. I am confident that representatives of this welfare agency will be happy to discuss and develop detailed arrangements with anyone you may designate. I trust that these arrangements may be developed without undue delay in order that the suffering of flood victims may be relieved as soon as possible.

Yuri A. Rastvorov Granted Asylum

Press release 441 dated August 13

U.S. NOTE TO U.S.S.R.

The Department of State on August 13 transmitted to the Soviet Embassy a note concerning the case of Yuri A. Rastvorov, former official of the Soviet Mission in Japan. The text of the note is as follows:

The Secretary of State presents his compliments to His Excellency the Ambassador of the Union of Soviet Socialist Republics and, with reference to the Embassy's inquiries regarding the whereabouts of Mr. Y. A. Rastvorov, has the honor to inform him that Mr. Rastvorov has requested the appropriate American authorities that he be granted political asylum.

² On Aug. 17 Mr. Hagerty announced that Czechoslovakia also had accepted the President's offer.

³ BULLETIN of Aug. 16, 1954, p. 240.

¹ BULLETIN of Aug. 9, 1954, p. 197.

Mr. Rastvorov's request has been granted and he is now residing in the United States. If the Ambassador wishes to talk with Mr. Rastvorov, he is available for an interview immediately.

DEPARTMENT OF JUSTICE STATEMENT

The Department of Justice has issued the following statement with regard to the authorization granted to Mr. Rastvorov in connection with his entry into the United States:

Attorney General Herbert Brownell, Jr., announced today that Yuri A. Rastvorov, the Soviet official who sought the protection and assistance of American authorities, has been granted temporary entry into the United States under the auspices of the Department of State, and is now in this country. The Japanese Government has been kept appropriately advised.

His entry was authorized under the discretionary powers vested in the Attorney General by the Immigration and Nationality Act.

Yuri A. Rastvorov has been in consultation with American officials since his arrival in the United States. He has also been interviewed in the United States by Japanese officials.

MR. RASTVOROV'S REQUEST FOR ASYLUM

I, Yuri Alexandrovich Rastvorov, motivated solely by my own wishes, and for political reasons, hereby request the United States Government for political asylum.

YURI ALEXANDROVICH RASTVOROV

JANUARY 24, 1954

BIOGRAPHICAL SKETCH

Yuri A. Rastvorov was born July 11, 1921, in Dmitrovsk, in Central Russia. His parents had one other child, a son who died in infancy.

Rastvorov's mother, who was a physician, died in 1946. His father, an army officer, retired in 1947 with the rank of colonel and was last reported living in Moscow.

Rastvorov attended middle school in Moscow and studied at the Geodesy Institute there.

He was drafted into the army in November 1939 and was assigned to the Institute of Oriental Languages in Moscow the following year. The Institute was maintained by the military intelligence division of the Soviet army for language and other special training for intelligence work in the Far East. Rastvorov was commissioned a second lieutenant in the military intelligence service in 1941.

In February 1943 he was transferred from mili-

tary intelligence to the secret political police (NKGB) and assigned to the NKGB Intelligence Directorate in Moscow.

He was sent to Japan in January 1946, ostensibly as a Ministry of Foreign Affairs employee but in reality as an espionage agent of the Ministry of State Security (MGB) later the Ministry of Internal Affairs (MVD). He returned to Moscow in late 1946 and was reassigned to Japan in June 1950. Although performing the same duties as before Rastvorov was now listed as a second secretary of the Soviet Mission.

He had the rank of lieutenant colonel in the MVD when he sought sanctuary in the United States early this year.

Rastvorov married Galina Andreyevna Godova in January 1945 in Moscow. They have one child, Tatiyana, born in October 1945.

STATEMENT BY MR. RASTVOROV⁴

[Translation]

I wanted to live like a decent human being. I wanted to be treated decently and I wanted to be able to treat other people decently.

It is impossible to live like this under communism. People do not dare treat each other decently or trust each other or speak freely to each other.

In all my life until I came to America I had only one friend with whom I could speak fairly freely without fear. He was killed in the war. I could not even speak freely with members of my own family.

When I was a baby, my mother had me baptized. But she was so afraid of what the Communists would do to her for this that she had me baptized secretly. She did not even tell my father.

When I was a child, my grandfather—my father's father—owned a small farm near Orel. He had two horses and a cow. Since he had no one to help him work the farm, he once hired a man to help him get the crops in during the harvest. For this the Communists called him a kulak—a rich peasant—and took away everything he had and made it impossible for him to earn a living any other way.

My mother sent my grandfather bread secretly from time to time without letting even my father find out about it. But my father did not dare do anything to help. He stopped seeing his father. He was afraid that if he did the Communists would punish him. My grandfather starved to death in 1930.

My father had a brother who was an army doctor. He was taken prisoner by the Germans in the Second World War. When he was freed, the Communists sent him—like thousands of

⁴ Made to correspondents on Aug. 13.

others—to a “quarantine” camp to check on his reliability. He was kept there for 3 years. When he was released, I was afraid to see him or have anything to do with him, in spite of the fact that I was extremely fond of him. I was afraid I would be punished if I did, maybe dismissed from government service, because he was under suspicion and always would be for having been in contact—as a prisoner—with the outside world.

This is what life is like under communism. These are the sorts of things communism does to people.

I tried hard all my life to believe in this system but I could not. From the time I began to understand life a little, the things I saw made me feel more and more doubt and bitterness and hatred.

Finally all this—especially after I saw with my own eyes how people live their own lives and how they get along with each other in free countries—made me decide to leave forever a fatherland which the Communists had turned into a concentration camp.

Now I hope I can make a new life in this country, a normal life like the lives of other people. I hope I can become an American like other Americans.

Status of Negotiations on Atomic Pool Plan

Press release 434 dated August 10

In view of the fact that the President, at his August 4 news conference, referred questions concerning the atomic pool plan to Mr. Dulles, the Secretary, at his news conference on August 10, was asked if he would elaborate on the status of the negotiations with the U.S.S.R. on this plan. Mr. Dulles made the following reply:

I think the broad history of this is pretty well known although not the details, because we agreed, in the beginning, that we would try to handle this particular matter in terms of an exchange of diplomatic notes and private talks. Some people had felt that it would be possible to make better progress with the Russians if instead of having public diplomacy we tried to negotiate quietly and privately with them. So it was agreed with them and, in fact, suggested by the President's message of December 8 to the United Nations Assembly¹ that we would have private talks on this matter.

I am sorry to say that the private talk method does not seem to work any better than the public talk method. I am afraid that the difficulties in dealing with the Soviets are so fundamental that the getting of positive cooperative action involves something more than a change of method.

I had several talks with Mr. Molotov at Berlin and at Geneva, and we gave him various notes which had been prepared in concert with some of our allies who are principally concerned, which elaborated the President's program.

I still do not feel at liberty to disclose the texts of what was said or describe these talks in detail because, as I said, we had agreed on the private exchange-of-note method. I can say that the last note which we had on this matter was wholly negative, or perhaps I should say 99 percent negative. We have in substance asked the Soviets whether they wish it to be treated as 100 percent negative.

In the meanwhile we are making plans on the assumption that we will have to treat it as 100 percent negative. In that event we hope to go ahead with the program in association with other countries. There are several in a position to contribute material to the program and many which would like to benefit from the program in terms of exploring and developing the possibilities of atomic energy for peacetime, lifegiving purposes. That phase of the matter is being actively considered while we await what may be the final answer from the Soviet.

Asked whether this consideration was in consultation with the other countries concerned, Mr. Dulles replied:

The concrete plan which was proposed to the Soviet Union was considered actively, before it was submitted, with some of the allies who are most interested in the problem from the standpoint of being able to contribute fissionable material.

Now, the adaptation of that program to one which would eliminate the hope for cooperation of the Soviet Union, that program, in the first instance, is still being considered by the United States Government, and we have not yet gotten in detail into talks with our associates about that phase of the problem. But that would presumably come at an early stage.

Asked whether the exchange of notes between this country and the Soviet Union would be released when that position was reached, Mr. Dulles replied:

That would require an agreement on both sides, and I cannot say whether or not the Soviet Union would care to have the exchange of notes made public.

Foreign Claims Commission

The Senate on August 6 confirmed Whitney Gilliland and Henry J. Clay to be members of the Foreign Claims Settlement Commission.

¹ BULLETIN of Dec. 21, 1953, p. 847.

Detention of Staff Members of U.S. Embassy at Moscow

DEPARTMENT ANNOUNCEMENT

Press release 429 dated August 6

Arthur Hasler, an Assistant Naval Attaché of the U.S. Embassy at Moscow, and Miss Joyce Marshall, a translator on the Embassy staff, were arrested by Soviet police on the afternoon of August 4, 1954, in an unrestricted area on the outskirts of Moscow and were detained at a police station for approximately 3 hours. Their arrest was based on the charge that they were allegedly taking photographs of the Stalin Auto Works. Their cameras were taken from them and the films were confiscated. They refused to sign a document drawn up by the Soviet police regarding the incident and stated that their confiscated films would prove that they had not taken photographs of the Stalin Auto Works or of any prohibited objects. They were finally released at the request of the Embassy.

The Embassy submitted a note to the Soviet Foreign Office in Moscow on August 5, 1954, strongly protesting the illegal detention of Mr. Hasler and Miss Marshall. The Embassy's note requested that disciplinary action be taken against the Soviet police officials concerned and that assurances be given against a repetition of such action.

TEXT OF U.S. NOTE OF AUGUST 5

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Union of Soviet Socialist Republics and has the honor to draw the Ministry's attention to the following matter.

On August 4, 1954, at approximately 5:00 o'clock in the afternoon Assistant U.S. Naval Attaché, Lieutenant Arthur Hasler and Joyce Marshall, Attaché of the Embassy, were returning from a picnic at Kolomenskoe by way of the ferry across the Moscow River from Nagatino. As they waited for the ferry two police officers approached them and, although Lieutenant Hasler and Miss Marshall identified themselves as diplomats by presenting their diplomatic cards, demanded their cameras. When Lieutenant Hasler and Miss Marshall refused to give up their cameras, the police officers took them by force against the Americans' protests. The police officers then insisted that Lieutenant Hasler and Miss Marshall accompany them to the Nagatino police station nearby. The Americans went only under protest and to avoid the further application of force by the police officers.

At the police station the American couple was held against their will for about three hours, although they demanded that they be released. They were also prevented from telephoning to the American Embassy for about one and one-half hour and they were subjected to the indignity of being photographed by police photographers. Finally their films were confiscated and not returned to them by the police officers, although Lieutenant Hasler demanded their return. They were finally released at 8:15 p. m. only after the intervention at the Embassy's request, of an officer from the Foreign Liaison Section of the Soviet Defense Ministry.

At the time of their arrest and during their detention the charge made against Lieutenant Hasler and Miss Marshall was that they had photographed factory buildings of the Stalin Auto Works across the river from Nagatino while they were waiting for the ferry at the latter point. This accusation was completely untrue, as the film confiscated by the police will show.

By their actions in this incident the Soviet police officials concerned violated the diplomatic immunity of two members of the Embassy staff. They arrested and detained the American diplomats. They seized the latter's cameras by force and confiscated their films. They photographed the two Americans without permission. As the Ministry is aware, these actions are incompatible with international custom, with the Soviet law defining the immunities of foreign diplomats (a portion of which is printed in the diplomatic card), and with the reciprocal immunities accorded Soviet diplomats in the United States.

The Embassy requests that the Ministry arrange an immediate investigation to allocate responsibility for the improper treatment of the American diplomats and that disciplinary action be taken against the offending police officers. The Embassy also assumes the Ministry will take appropriate measures to prevent repetition of similar violations of the diplomatic immunity of American diplomats stationed in the U.S.S.R.

Changes in Rates of Duty on Watch Movements

White House press release dated July 27

The President on July 27 issued a proclamation putting into effect recommendations of the U.S. Tariff Commission, made under section 7 of the Trade Agreements Extension Act of 1951, with respect to the rate of duty on imports of non-jeweled watches and watches containing not more than 17 jewels. The proclamation modifies the duty concessions on certain types of watches provided for in the trade agreement with Switzerland.

The effect of this action is to establish rates of

duty ranging up to 50 percent above present rates but in no event above the original rates set in the Tariff Act of 1930. On some imported watch movements there will be no change in duty. While the amount of additional duty will vary for different types of movements, the range in duty increases, added to landed cost on regular unadjusted movements which constitute the bulk of the imports, will be from 9 cents to \$1.15 per movement. The new rates will become effective on July 28, 1954, but will not apply to articles exported before that date provided they are cleared through U.S. customs on or before August 26, 1954.

The U.S. Tariff Commission, in a report transmitted to the President on May 28, 1954, found that watches are being imported in such increased quantities as to cause serious injury to the American watch manufacturing industry.¹ The Commission recommended that in order to remedy this serious injury to the domestic industry, rates of duty upon certain types of watches should be increased. These findings and recommendations formed the basis for the action announced by the President.

The President's action will have an important collateral effect in contributing to the maintenance of a satisfactory industrial mobilization base for the domestic production of watch movements and other precision devices necessary for national defense.

An Interdepartmental Committee on the Jeweled Watch Industry has recently reported to the Director of the Office of Defense Mobilization that preservation of the unique skills of this industry is essential to the national security.²

Text of Proclamation³

1. WHEREAS, under authority of section 350 (a) of the Tariff Act of 1930, as amended, the President on January 9, 1936, entered into a trade agreement with the Swiss Federal Council, including two schedules and a declaration annexed thereto (49 Stat. (pt. 2) 3918), and by proclamation of January 9, 1936 (49 Stat. (pt. 2) 3917), proclaimed the said trade agreement, which proclamation has been supplemented by proclamation of May 7, 1936 (49 Stat. (pt. 2) 3959), and proclamation of November 28, 1940 (54 Stat. (pt. 2) 2461); and

2. WHEREAS the said trade agreement was supplemented on October 13, 1950, by certain provisions set forth in the 13th recital of the President's proclamation of November 26, 1951 (Proclamation No. 2954; 16 F. R. 11943); and

3. WHEREAS the said trade agreement includes duty concessions granted by the United States with respect to products described in item 367 (a) of Schedule II of the said trade agreement (49 Stat. (pt. 2) 3940); and

4. WHEREAS, to carry out the said trade agreement, since February 15, 1936, duties at the rates respectively specified in the said item 367 (a) have been applied to the products described in such item, which duties reflect the

duty concessions granted in the said trade agreement with respect to such products; and

5. WHEREAS the United States Tariff Commission has submitted to me its report of an investigation, including a hearing, under section 7 of the Trade Agreements Extension Act of 1951, as amended, as a result of which the Commission has found that certain products described in the said item 367 (a) are, as a result in part of the duties reflecting the concessions granted thereon in the said trade agreement, being imported into the United States in such increased quantities, both actual and relative, as to cause serious injury to the domestic industries producing like or directly competitive products; and

6. WHEREAS the Tariff Commission has recommended that the duty concessions granted in the said trade agreement with respect to certain products described in the said item 367 (a) be modified to permit the application to such products of higher rates of duty hereinafter proclaimed, which rates the Commission found and reported to be necessary to remedy the serious injury to the domestic industries producing like or directly competitive products; and

7. WHEREAS section 350 (a) (2) of the Tariff Act of 1930, as amended (48 Stat. 943), authorizes the President to proclaim such modifications of existing duties as are required or appropriate to carry out any foreign trade agreement that the President has entered into under the said section 350 (a); and

8. WHEREAS upon the modification of duty concessions in the said trade agreement as recommended by the Tariff Commission it will be appropriate, to carry out the said trade agreement, as supplemented on October 13, 1950, to apply to the said products the rates of duty hereinafter proclaimed:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by section 350 of the Tariff Act of 1930, as amended, and by section 7 (c) of the Trade Agreements Extension Act of 1951, and in accordance with the said trade agreement as supplemented October 13, 1950, do proclaim—

(a) That the provisions of item 367 (a) of Schedule II of the said trade agreement shall be modified, effective at the close of business July 27, 1954, so as to read as follows:

United States Tariff Act of 1930 paragraph	Description of articles	Rate of duty
367 (a)	Watch movements, and time-keeping, time-measuring, or time-indicating mechanisms, devices, and instruments, whether or not designed to be worn or carried on or about the person, all the foregoing, if under 1.77 inches wide, whether or not in cases, containers, or housings:	
	(1) Having more than 1 and not more than 17 jewels:	
	Over 1.5 inches wide	\$1.25 each.
	Over 1.2 but not over 1.5 inches wide	\$1.35 each.
	Over 1 but not over 1.2 inches wide	\$1.35 each.
	Over 0.9 but not over 1 inch wide	\$1.75 each.
	Over 0.8 but not over 0.9 inch wide	\$2.00 each.
	Over 0.6 but not over 0.8 inch wide	\$2.02½ each.
	0.6 inch or less wide	\$2.50 each.

¹ Copies of the report may be obtained from the U.S. Tariff Commission, Washington 25, D. C.

² Requests for copies of this report should be addressed to the Office of Defense Mobilization, Washington 25, D. C.

³ No. 3062; 19 Fed. Reg. 4659.

- (2) Having no jewels or only one jewel:
- | | |
|---------------------------------------|---------------|
| Over 1.5 inches wide | \$0.75 each. |
| Over 1.2 but not over 1.5 inches wide | \$0.84 each. |
| Over 1 but not over 1.2 inches wide | \$0.93 each. |
| Over 0.9 but not over 1.0 inch wide | \$1.05 each. |
| Over 0.8 but not over 0.9 inch wide | \$1.12½ each. |
| Over 0.6 but not over 0.8 inch wide | \$1.12½ each. |
| 0.6 inch or less wide | \$1.35 each. |
- (3) Any of the foregoing having more than 7 jewels shall be subject to an additional duty of \$0.13½ for each jewel in excess of 7.
- (4) Any of the foregoing shall be subject for each adjustment of whatever kind (treating adjustment to temperature as 2 adjustments) in accordance with the marking as provided for in subparagraph (b) of paragraph 367, Tariff Act of 1930, to an additional duty of \$0.50 for each adjustment.
- (5) Any of the foregoing, if constructed or designed to operate for a period in excess of 47 hours without rewinding, or if self-winding, or if a self-winding device may be incorporated therein, shall be subject to an additional duty of \$0.75 each.
- Provided, That this item 367 (a) shall not apply to any movement, mechanism, device, or instrument which contains less than 7 jewels if such movement, mechanism, device, or instrument contains a bushing or its equivalent (other than a substitute for a jewel) in any position customarily occupied by a jewel: And provided further, That any of the foregoing articles exported to the United States on or before July 27, 1954, and there entered, or withdrawn from warehouse, for consumption before the close of business August 26, 1954, shall be subject to duty at the rates which were in effect for such articles on July 1, 1954.*

(b) That, until the President otherwise proclaims, the rates of duty specified in such modified item 367 (a) as set forth in paragraph (a) above shall be applied to articles entered, or withdrawn from warehouse, for consumption which are exported to the United States after the date of this proclamation, and shall be applied to articles exported to the United States on or before that date which are so entered or withdrawn after the close of business August 26, 1954.

The said proclamation of January 9, 1936, as supplemented, is modified accordingly.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-seventh day of July in the year of our Lord nineteen [SEAL] hundred and fifty-four, and of the Independence of the United States of America the one hundred and seventh-ninth.

Dwight D. Eisenhower

By the President:
JOHN FOSTER DULLES
Secretary of State.

Cuba Requests Renegotiation of Tariff Concession on Steel

Press release 439 dated August 13

The Government of Cuba has requested renegotiation of the concession granted the United States on steel reinforcing bars in the General Agreement on Tariffs and Trade in 1947. The Contracting Parties to that agreement, including the United States, have agreed to this renegotiation, in accordance with the understanding reached by the Contracting Parties at their eighth session that they would give sympathetic consideration to requests for renegotiation under exceptional circumstances.

The purpose of the Cuban Government in requesting the renegotiation is to obtain a modification in the concession which it granted on "rolled steel rods, plain or corrugated for construction purposes," that is, steel reinforcing bars, under item 36-B of Part II of the Cuban Schedule IX of the General Agreement. Item 36-B covers also other products, but the renegotiation will be confined to the reinforcing bars. The rate of duty applicable to imports into Cuba of reinforcing bars from the United States is at present 0.30 pesos (\$0.30) per 100 kilograms.

In the course of the renegotiation, the United States may request compensation in the form of other concessions by Cuba in return for agreement to the modification of the concession on steel reinforcing bars. The possible compensatory concessions may include new concessions on products not now in the Cuban schedule of concessions or additional concessions on products already in such schedule. Should modifications in the schedule of Cuban tariff concessions be agreed upon during the renegotiations, they would have to receive final approval of all the Contracting Parties to the General Agreement.

Interested persons may submit any views with regard to the steel reinforcing bars to the Committee for Reciprocity Information, which is the interdepartmental committee established to receive views on trade agreement matters. In addition to views on this product, views are also invited regarding any Cuban products on which new or

additional concessions might be requested as compensation for any agreed modification.

It is requested that any such views be submitted by the close of business on September 13, 1954. All communications on these matters, in 11 copies, should be addressed to: The Secretary of the Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D. C.

Legislative Authority for Pacific Fisheries Commission

Press release 440 dated August 13

The President on August 12, 1954, signed S. 3713, a bill to give effect to the International Convention for the High Seas Fisheries of the North Pacific Ocean (United States, Canada and Japan), which came into force June 12, 1953.¹ The new law provides additional legislative authority for the operations of the International North Pacific Fisheries Commission which was established under the terms of the convention.

The U.S. Section of the Commission, as appointed by the President, has the following members:

Edward W. Allen, Attorney, of Seattle, Wash.
Milton E. Brooding, Director of Industry Relations, California Packing Corporation, San Francisco, Calif.
John E. Farley, Director of Fish and Wildlife Service, Department of the Interior
B. Frank Heintzleman, Governor of Alaska

The North Pacific Fisheries Commission held its first meeting in Washington beginning February 1, 1954, at which time it completed its organization. Two permanent standing committees were established, as members of which the U.S. Section selected:

Committee on Biology and Research

Edward W. Allen, Chairman
W. F. Thompson, Director, Fisheries Research Institute, Seattle, Wash.
Lionel A. Walford, Chief, Branch of Fishery Biology, Fish and Wildlife Service, Department of the Interior

Committee on Finance and Administration

John L. Farley, Chairman
Montgomery Phister, Vice President, Van Camp Sea Food Company, Terminal Island, Calif.

In accordance with the terms of the act which became law on August 12, the U.S. Section has appointed an Advisory Committee composed of persons from the various groups participating in the fisheries covered by the convention and from the fishery agencies of the states or territories the representatives of which maintain a substantial fishery in the convention area. Members of the Advisory Committee are:

¹ For text, see BULLETIN of Mar. 3, 1952, p. 343, and May 26, 1952, p. 830, footnote 1.

C. L. Anderson, Director, Alaska Department of Fisheries
W. C. Arnold, Managing Director, Alaska Salmon Industry, Inc., Seattle, Wash.
Vernon E. Brock, Director, Division of Fish and Game, Territory of Hawaii
Harold F. Cary, General Manager, American Tunaboat Association, San Diego, Calif.
Richard S. Croker, Chief, Marine Fisheries Branch, State of California Department of Fish and Game
Larry Fitzpatrick, boat owner, Juneau, Alaska
Miller Freeman, President, Miller Freeman Publications, Seattle, Wash.
M. T. Hoy, Oregon State Fisheries Director, Fish Commission of Oregon
George Johansen, Secretary-Treasurer, Alaska Fisherman's Union, Seattle, Wash.
Robert C. Kallenberg, fisherman, Dillingham, Alaska
Donald P. Loker, Vice President, Star-Kist Foods, Inc., Terminal Island, Calif.
Harold E. Lokken, Manager, Fishing Vessel Owners Association, Seattle, Wash.
T. F. Sandoz, President, Columbia River Packers Association Inc., Astoria, Oreg.
Robert J. Schoettler, Director, State of Washington, Department of Fisheries
Lowell Wakefield, President, Wakefield's Deep Sea Trawlers Inc., Seattle, Wash.
James Waugh, President, Cannery Workers Union of the Pacific, Terminal Island, Calif.

Current U. N. Documents: A Selected Bibliography¹

Trusteeship Council

Provisional Agenda for the Fourteenth Session of the Trusteeship Council to be convened at United Nations Headquarters on Wednesday, 2 June 1954, at 11 a. m. T/1115. April 26, 1954. 14 pp. mimeo.

Examination of the Annual Report on the Administration of the Trust Territory of Somaliland Under Italian Administration. T/1116. April 27, 1954. 49 pp. mimeo.

Conditions in the Trust Territory of the Cameroons Under British Administration. Summary of the observations made by individual members of the Council during the general discussion, and of the comments of the representative and special representative of the Administering Authority. T/L.424, March 5, 1954. 33 pp. mimeo.

Conditions in the Trust Territory of the Cameroons Under French Administration. Report of the Drafting Committee. T/L.429, March 8, 1954. 10 pp. mimeo.

Conditions in the Trust Territory of Ruanda-Urundi. Report of the Drafting Committee. T/L.452, March 19, 1954. 9 pp. mimeo.

Conditions in the Trust Territory of Tanganyika. Summary of observations made by individual members of the Council during the general discussion and of the comments of the special representative of the Administering Authority. T/L.456, March 22, 1954. 56 pp. mimeo.

¹ Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N. Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

The United Nations in Today's World

*by Henry Cabot Lodge, Jr.
U.S. Representative to the United Nations¹*

We Legionnaires, who have seen war at first-hand, look at the present disordered state of the world with experienced—and anxious—eyes. When I talk about the United Nations to you today, therefore, I talk about the world situation in which the United States finds itself, for the very good reason that one cannot talk of one without talking of the other.

You know already that the United Nations has not equalled the extravagant things which were claimed for it in 1946. It was launched then on the assumption that the Soviet Union would be a peace-loving nation and a dependable ally of the United States—an assumption which was soon proved to be so wholly and so tragically erroneous.

We have since learned that to prevent war it is not enough for a group of lawyers to draft a charter, for the charter to be ratified by national legislatures, and for a building to be erected on the East River. The United Nations thus has not become an automatic peace producer. We in the Legion could have told them in 1946 that there is no such thing as an automatic peace producer and that the success of any international device depends on the extent to which the members support it when the going gets rough.

If such a device is as automatic as a burglar alarm, it is doing well. What happens after the bell rings is up to the members.

As a matter of fact, the United Nations has accomplished a number of very good things in spite of the fact that the Soviet Union has been abusing its veto power and all its other privileges in a shocking, cynical, and, in many ways, criminal manner.

It is thanks to the United Nations that the Soviet encroachment in Iran was stopped in 1946; that the United States initiative to stop Communist encroachment on Greece in 1947 was backed by indispensable international moral pressure;

that open warfare over Kashmir between India and Pakistan was stopped; that the advent of Israel into the family of nations was accomplished and an end put to a bloody war in the Holy Land; that working with the Netherlands and the Indonesians full independence was given to the 76 million people inhabiting Indonesia; and, above all, that part of the free world was organized to repel the bloody aggression in Korea, which threatened the whole free world—and not only Asia.

The U.N. in Korea

And please note in connection with Korea that while, of course, the United States made the great and indispensable effort, without which military action would have been impossible, the other United Nations members did contribute the equivalent of two divisions and that two United States divisions at World War II figures cost \$600 million a year. The cost today is probably greater but it is a secret. If, therefore, the United States had had to furnish these two divisions, the added dollar cost would have been at least \$600 million dollars—which, when compared with our annual contribution of \$25 million to the United Nations is not such a bad deal.

Of far larger meaning to us are the casualties which were sustained by the men of the United Nations troops which would otherwise have been borne to a great degree by United States troops.

While we are on that subject, don't overlook the fact that, if United States policy at the time of Korea had not required nations having valuable manpower to reimburse us in dollars for the supplies which we provided them, we might have had a substantially larger contribution of manpower from United Nations members. My personal opinion is that there might have been at least three more divisions, making a total of five United Nations divisions, exclusive of the United States, instead of two.

But, naturally, nations which had no mechanism

¹Address made before the Iowa Department of the American Legion at Des Moines, Iowa, on Aug. 2 (U.S./U.N. press release 1943 dated July 30).

ized equipment, which had no shipping, and which had no dollars, could not promise to supply equipment, shipping, and dollars which they did not possess. And United States policy at that time would not accept troops from nations which could not make such a promise. This naturally had the effect of reducing the foreign troop contribution. As military men yourselves, you can see the importance of our having to supply our own men to make good the difference.

This, of course, was a reversal of the policy of World War II. Let me assure you that is an error which will not be repeated.

So much for the United Nations troop contribution.

Now, as to personnel, let me say that in a few weeks every single American employed at the United Nations will have been screened in accordance with Civil Service Commission and FBI procedures—and for the good and sufficient reason that with so many good Americans to choose from there is absolutely no excuse for employing one single American Communist at the United Nations. Already all important positions out of the 1,800 total have been screened.

As to costs, I am glad to report that last year the size of the American contribution was reduced both in percentage and in dollars—and the Russian share was increased.

Then, the United Nations gives us a chance to reveal the truth about the Soviet Communists and the Chinese Communists—which we have done repeatedly. One of the most effective presentations was made by your near neighbor, Dr. Charles Mayo of Rochester, Minn., who held the floor and the front pages of the world for 10 days exposing the ghastly lie of the Chinese Communists that American aviators in Korea had used germ warfare.

I follow the invariable rule of always speaking on the day that a Communist speaks so that in the very same news story the side of the United States of America will go out all over the world.

The Guatemala Question

One of the most important occurrences at the United Nations was in June when the Soviet Union, working hand-in-glove with the Arbenz regime in Guatemala, tried to use the United Nations to promote its effort to penetrate Latin America. They wanted to use the Security Council, not to settle the problem, but to torpedo the Organization of American States; to divert world attention from the dangerous degree of Communist penetration in Guatemala; and to send so-called "peace observers" to the area, among whom could have been Communist agents. It was thus hoped to take over not only Guatemala but the surrounding area.

Judging by the bitterness of the attacks which were made on me by the Communist *Daily Worker*,

which is published in New York, and the Russian newspapers, notably *Pravda*, they didn't like our attitude. They just about called me every name in the dictionary, and, believe me, coming from that quarter I consider it a compliment.

As it turned out, the Inter-American System dealt with the problem most efficaciously. The United States went right to work to prevent the Soviets and their sympathizers from using the United Nations to destroy the Organization of American States—an organization the inspiration of which goes back to the Monroe Doctrine. The Communist attempt to disguise their efforts to establish a Communist base in this hemisphere under cover of United Nations deliberation and debate was decisively defeated. This defeat in the Security Council so discouraged Communists elsewhere that they gave up hope of subverting Guatemala. Thus a dangerous attack was turned into a positive advantage.

We can derive satisfaction from this particular decisive victory over Soviet Communist imperialism. But the worldwide struggle never ceases.

Now we have those who urge the admission of the Chinese Communists to the United Nations. Note well that those who favor admitting the Chinese Communists base their argument on grounds of expediency—and for the very simple reason that they cannot base it on principle or good international morals. Look at the facts:

The Soviet Union has prevented such peaceful nations as Ireland, Finland, Portugal, Spain, Italy, Ceylon, and South Korea from being admitted. But it wants the United Nations to admit the group which has been legally declared by the United Nations itself to be the aggressor in Korea—Korea, where occurred the largest and most important aggression with which the United Nations has had to deal since its creation.

No peace has been reached in Korea. The Chinese Communists showed at Geneva that they want no peace there. The Chinese Communist Army is there in flagrant aggression at this moment. They are at war with the United Nations. They have the blood of hundreds of thousands of persons on their hands, including 140,000 American casualties, and our American prisoners who have been killed in cold blood.

And only last week they added to this death toll the names of innocent persons, some of them women and children, in an air attack on a commercial passenger plane which horrified the whole civilized world and provides still another reason—though none was needed—to prove the unfitness of the China Reds to sit in the United Nations. The firm and rapid action of the President in sending planes and ships of the United States to the scene for a humanitarian purpose is in the best American tradition.

Yet, with the blood still wet on their hands, they, of all nations, are to be singled out to become members of this society of—and I quote from the

charter—"peace-loving" nations. And, let it be added, a society which they denounce and the rules of which they say they will not obey.

Maybe it is not very subtle or very sophisticated to say so, but it seems indisputable that either one is really in favor of collective security or one is not.

Many of us can well remember World War I, when the United States was not in favor of collective security, when we declared our neutrality and tried to stay out of the conflict. We were at that time implored by other nations to support the idea of collective security against aggression, and we joined the conflict.

We can all remember World War II. At that time the United States again was not committed to the idea of collective security. We believed in neutrality. We tried to stay out of the conflict. But we were urged again to defend the principle of collective security, and we joined the conflict.

Today, fellow members of the Legion, the United States *believes* in collective security, and our belief in it is not merely a matter of lipservice and of words. When the aggression occurred in Korea, we stepped up and made our contribution. In our simple way, we thought that aggression was wrong; that the charter meant what it said; that the success of Communist aggression would endanger the free world; and that the only good future for the United Nations lay in its members, having the courage to support it when the going was rough.

In the face of this record, one cannot escape the conclusion that to admit the Chinese Communists before there is a peace in Korea is an insult to the entire principle of collective security which we in the United Nations are sworn to uphold as well as being an affront to the memory of our dead. It would be proof that we did not mean what we said when we solemnly declared our hatred of aggression. To admit this regime, which uses war as an instrument of national policy, is to steer the United Nations onto a rock on which it will founder.

The Challenge to Free Men

There are those who think that the United Nations can succeed by paying lipservice to the ideal of making real sacrifices when an aggression occurs—that the United Nations can survive by taking the *negatively pernicious* course of sitting idly by, of being mere cynical free-riders and fair-weather sailors.

Then there are those who go even further and declare in effect that the United Nations can succeed by taking the *positively pernicious* course of disregarding the charter and openly embracing the aggressor.

Both are tragically mistaken.

We must follow the inspiring lead which the

United Nations gave the world in its collective action against aggression in Korea.

It is up to United Nations members to decide whether the United Nations is to become a place for mere discredited talk or for purposeful and inspiring action. It will be a bitter day for humanity when the United Nations becomes a mere sordid cockpit of power politics in which the criminal and the lawabiding are scrambled up indiscriminately. Destroy the moral sanction of the United Nations and you have killed one of man's noblest aspirations.

Watching the Soviet Communists every day at the United Nations and studying their tactics throughout the world, I have reached one conclusion, which is that they believe in the axiom "Never hit a man until he's down." When they think you are down or about to fall, that's when they jump on you. It is up to us, therefore, as for all other free men who want to keep the freedom, to keep strong; to keep standing; to keep moving ahead; to keep our confidence; to be optimistic—always to remember that long faces win no battles.

It is in this spirit that in these recent weeks we have seen the firm and efficacious attitude of our own Government as regards the Communist plot against Guatemala, the admission of Red China to the United Nations, and the humanitarian dispatch of United States ships and planes to Far Eastern waters. We should welcome such policies because they are the best guaranty of peace.

There is no organization in America—and, I believe, no organization in the world—which better exemplifies these traits than the American Legion. You have the responsibility to exalt those manly qualities and keep them ever before our people. You have thus the opportunity to keep our country strong in this time of peril.

Meeting the Economic Needs of Underdeveloped Countries

Statement by Preston Hotchkiss
U.S. Representative on ECOSOC¹

I have never listened more closely and intently to a debate before this Council since I have had the honor to represent my country in this body than I have to this one on a proposed Special Development Fund.

I have listened intently because:

1. I have a very high regard for what my colleagues in this Council say and think;

¹ Made in the U.N. Economic and Social Council at Geneva on July 22 (U.S./U.N. press release 1946 dated Aug. 5).

2. I am confident that their statements represent their sincere judgment; and

3. This forum is a place where on the anvil of debate are fashioned some shapes and forms which affect the future of great portions of the world. For, truly, what we say here is soon forgotten, but what we do here may be felt by the world for generations to come.

In this debate on SUNFED [Special U.N. Fund for Economic Development] I have been mindful of a certain enthusiasm on the part of my colleagues on the Council and other speakers. That is quite understandable, and it probably accounts for some statements with which I could hardly agree but which, in the good spirit pervading this whole discussion, I would put down as having been made in the enthusiasm of the moment.

I have also observed another thing—a sort of division and association on the part of countries which regard themselves as underdeveloped, as against so-called industrialized or more developed countries. This division seems to run increasingly through every discussion in this Council, in its committees, its commissions, and, in fact, in all the organs of the United Nations. It is in technical assistance, the International Bank report, the international trade discussions, and in the present debate on the Special Development Fund.

Now, I submit this is a *United Nations*, not a *divided Nations*, and each of us here in this chamber and the other members of the United Nations have a solemn duty to keep it united—to make the United Nations Charter a pulsating code of unity. My own country is underdeveloped in many important areas. We have hundreds of millions of acres of undeveloped land; we have tens of millions in kilowatts of undeveloped electrical energy; we have countless millions of tons of undeveloped minerals we have tens of thousands of miles of unbuilt or underbuilt roads or highways; and we have a limited poverty problem among some of our people.

Hence, in a sense we are underdeveloped, and only 50 or 60 years ago we were underdeveloped. At that time agriculture was our predominant occupation. We had very little industry, and the production of natural resources was not large.

How in that short time did we effect the transition? First, by creating a favorable climate for the investment of private foreign capital. Second, by creating opportunity for our own citizens under the incentive of the free-enterprise system to create, build, and to develop industries. Third, by keeping a stable government and stable finances. Fourth, by working like beavers.

For, in those years, there was no international organization of nations to which we could turn if we had wanted to do so. Our development and diversification came partly from private foreign capital, but mostly from within our own country—by unlocking the energy inherent in all peoples

everywhere to improve their own lot—through the system of free competitive enterprise.

I shall confine my remarks to the question of a Special Development Fund. Statements by my delegation on the remaining topics under this item will be made in the Economic Committee.

General Assembly Action

At the last session of the General Assembly member nations declared themselves ready to ask their peoples, when sufficient progress has been made in internationally supervised worldwide disarmament, to devote a portion of the savings from such disarmament to an international fund to assist development and reconstruction in the underdeveloped countries.² We now have before us the official statements of numerous governments as to the degree of support they would be prepared to give to the establishment of an international development fund. We also have the useful summary of these statements submitted by Mr. Scheyven³ in his Interim Report, Document E/2599.

Most of the speakers to whom I have listened during this discussion have stated a position which, as I understand it, is substantially as follows: It is undesirable to wait until progress in internationally supervised disarmament makes it possible for member countries to give effect to the declaration embodied in the General Assembly resolution. The proposed Special Fund, considered by the Committee of Experts, is vitally needed to promote the economic progress of the underdeveloped countries. It would also contribute to the achievement of peace and security in the world. The fund should therefore be established at an early date. All that is needed to make its establishment possible is the sum of \$250 million. This is an insignificant amount compared with what is currently being spent around the world for armaments, and it could easily be provided as moderate cuts are made in the level of armament expenditures.

I believe, Mr. President, that my summary is a fair one. In the view of my delegation this line of argument, by focusing on the \$250 million, loses all sense of perspective. How little this could provide for each of the underdeveloped countries that would feel entitled to a share of it. The sum of \$250 million was, in fact, proposed by the Committee of Experts only as the minimum amount which they believed needed to be assured before the fund could get organized and started. It was apparent to them that, unless the fund could be supported by continuing contributions aggregat-

² For text of resolution, see BULLETIN of Dec. 14, 1953, p. 839.

³ Raymond Scheyven of Belgium, president of the sixteenth session of Ecosoc, was appointed by the Eighth General Assembly to examine and report on the comments of governments; see U.N. doc 724 B (VIII).

ing many times this \$250 million, it would be unable to operate successfully and could accomplish little toward the promotion of economic development.

Surely it would be unwise, as well as premature, to launch a Special Fund to undertake an enormous global task before there was any reasonable prospect that the huge resources such a fund would need for this task would be forthcoming. It would be comparable to a man making a downpayment on the purchase of a house or a farm without feeling reasonably sure that the money for future payments would become available. Establishment of a fund under these conditions could only engender in the underdeveloped countries feelings of disappointment, disillusionment, and frustration.

While it is clear that a fund could do relatively little with \$250 million, it is extremely doubtful whether, at this time, even this modest sum could be secured under the conditions prescribed by the experts. The experts recognized that a fund would have to be a truly international one. They recommended therefore that a fund should not be set up at all unless the requisite initial contributions were pledged by at least 30 governments. In the view of my delegation, Mr. President, the striking fact revealed by the replies of governments is not that they give evidence of any substantial support for the early establishment of a Special Fund, but rather that they indicate how small the prospective support really is.

I have emphasized, Mr. President, that a Special Fund could have no hope of success unless it was able under existing world conditions to secure for its continuing operation sums vastly greater than the \$250 million which would be required for its initial establishment. Does anyone around this table seriously believe that such sums would be forthcoming? I doubt it, Mr. President. We must bear in mind that it would be of no advantage to the underdeveloped countries if resources were secured for the operation of a Special Fund merely by diverting them from existing programs of economic development. As long as world tension continues, the total burden of taxation on the people of the United States for armaments and for other purposes, including the reconstruction of areas devastated by Communist aggression, is certain to remain large. Any savings from disarmament will have many claims for its use, and every competing claim will have to be examined with the utmost caution. In so doing we may be sure that claims pertaining to the welfare of the underdeveloped countries will continue to receive, as they have received in the past, the most earnest consideration. There is, however, little likelihood that our people will feel disposed at this time to accept heavy additional financial commitments that are not necessitated by the most vital and urgent requirements of national security. Under

these circumstances my government sees no useful purpose which could be served by the creation of a new international agency which would be unlikely to result in any net increase of assistance to underdeveloped areas.

Does this mean that we fail to recognize the sense of urgency felt by underdeveloped countries faced with the necessity for improving the conditions under which their people are struggling for survival? Does this mean that the underdeveloped countries must reconcile themselves to a situation where they can expect little assistance from the more developed countries? The answer to these questions is clearly "No!" This is substantiated by a long and continuing record.

Existing Aid Programs

Aid for the economic development of the underdeveloped countries is currently being extended by many of the more developed member states and in many forms. We have already heard from the representatives of Belgium and France as to what their countries are doing in this direction. We may hear from the representative of the United Kingdom something of what the Commonwealth countries are doing under the Colombo Plan and other programs. The efforts of my own country in this direction have often been indicated in this forum. Since World War II, in addition to the vast sums we in the United States have expended for relief and reconstruction and for helping to maintain peace and security in the free world against the threat of Communist aggression, we have devoted to the economic assistance of underdeveloped countries over \$6 billion. In other words, my country alone has provided for this purpose more than 25 times the \$250 million that it is now proposed the world should contribute collectively for the establishment of a Special Fund.

Under these circumstances my delegation is unable to subscribe to the second recommendation of the draft resolution presented by Yugoslavia,⁴ which calls upon governments to contribute to a Special Fund a portion of the savings achieved through the reduction of defense expenditure. Nor can my delegation support the draft resolution presented by Pakistan⁵ which calls for the early establishment of a Special Fund.

I began, Mr. President, by referring to the pledge embodied in the General Assembly resolution. We reaffirm that pledge. In the period ahead the United States Government will continue to exert every effort toward a relaxation of international tensions which will pave the way for worldwide disarmament. In the meantime, postponement of the establishment of a new international development fund need not hinder progress toward

⁴ U.N. doc. E/L. 620.

⁵ U.N. doc. E/L. 621.

development. There are many national and international agencies now functioning whose purpose is to help the underdeveloped countries accelerate their economic growth. The absence of a new international fund does not mean the absence of any machinery for this task, nor does it preclude assistance from countries that feel able to make contributions to this end. For its part, as I have tried to make clear, the United States has done and is doing much to promote economic development.

There is every evidence that the aid that has been extended to underdeveloped countries, both on a bilateral and multilateral basis, has been of considerable benefit to them. It has helped to stimulate latent energies and has strengthened their ability to make the best use of their own resources. We are proud that the United States has had so large a share in this constructive work.

The countries of the free world know well where the responsibility for the present international tension really lies. They are aware of the efforts my country has made, the most recent one only 2 months ago,⁶ in company with our principal allies to reach an agreement with the U.S.S.R. on some form of internationally supervised worldwide disarmament. We stand ready at all times to reenter negotiations for such an agreement, whenever the U.S.S.R. makes their resumption possible.

TREATY INFORMATION

Current Actions

MULTILATERAL

Customs Tariff

Protocol modifying the convention signed at Brussels July 5, 1890 (26 Stat. 1518), relating to the creation of an International Union for Publication of Customs Tariffs. Done at Brussels December 16, 1949. Entered into force May 5, 1950.⁷

Adherence deposited: U.S.S.R., June 22, 1954.

Drugs

Protocol for termination of Brussels Agreement for unification of pharmacopoeial formulas for potent drugs. Signed at Geneva May 20, 1952. Entered into force May 20, 1952. TIAS 2692.

Notification by Germany of application to: Berlin, June 22, 1954.

⁶ For a U.S. statement on the disarmament talks held at London May 13-June 22, see BULLETIN of Aug. 2, 1954, p. 171.

⁷ Not in force for the United States.

Postal Matters

Universal postal convention, with final protocol, annex, regulations of execution; and provisions regarding air-mail and final protocol thereto. Signed at Brussels July 11, 1952. Entered into force July 1, 1953. TIAS 2800.

Ratifications deposited: France, including Morocco, Tunisia, Algeria, and all overseas territories of the French Republic and territories administered as such, June 25, 1954.

Shipping

International load line convention. Signed at London July 5, 1930. Entered into force January 1, 1933. 47 Stat. 2228.

Accession deposited: Korea, June 11, 1954.

Slave Trade

Protocol amending the slavery convention signed at Geneva September 25, 1926, and Annex (46 Stat. 2183). Done at New York December 7, 1953.¹

Acceptance deposited: Austria, July 16, 1954.

Trade and Commerce

Second protocol of rectifications and modifications to texts of schedules to the General Agreement on Tariffs and Trade (TIAS 1700). Done at Geneva November 8, 1952.²

Signature: Cuba, May 27, 1954.

Third protocol of rectifications and modifications to the texts of schedules to the General Agreement on Tariffs and Trade (TIAS 1700). Done at Geneva October 24, 1953.³

Signature: Cuba, May 27, 1954.

BILATERAL

Brazil

Agreement extending the agreement providing for a cooperative program of industrial apprenticeship dated June 30, 1952, as extended (TIAS 2748 and 2839). Effected by exchange of notes at Rio de Janeiro June 2 and 30, 1954. Entered into force June 30, 1954.

Haiti

Agreement for a cooperative program of rural education in Haiti, pursuant to the General Agreement for Technical Cooperation dated May 2, 1951 (TIAS 2414). Effected by exchange of notes at Port-au-Prince May 28, 1954. Entered into force May 28, 1954.

Mexico

Agreement for survey of Mexico's technical education activities and needs, pursuant to the technical cooperation agreement dated June 27, 1951 (TIAS 2273), as amended. Effected by exchange of notes at Mexico June 7, 1954. Entered into force June 7, 1954.

Philippines

Agreement amending the agreement of November 18 and December 13, 1952 (TIAS 2931), relating to recruiting Philippine citizens for voluntary enlistment into the United States Navy. Effected by exchange of notes at Manila April 1 and June 21, 1954, with a related exchange of notes at Manila of July 20 and 30, 1954. Entered into force June 21, 1954.

¹ Not in force.

THE CONGRESS

Senate Passes Resolution on German Sovereignty

Following is the text of Senate Resolution 295, which was approved on July 30:

Whereas a convention on relations between the United States of America, the United Kingdom of Great Britain and Northern Ireland, and the French Republic, therein referred to as the "Three Powers," and the Federal Republic of Germany, was signed on May 26, 1952, with a view to restoring sovereignty to the Federal Republic of Germany; and

Whereas the Senate of the United States gave its advice and consent to ratification of said convention on July 1, 1952; and

Whereas, nevertheless, it has not proved practical as yet to bring the Convention into force in accordance with its provisions: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President, if he judges that future developments make this desirable and in the national interest, should take such steps as he deems appropriate and as are consistent with United States constitutional processes to restore sovereignty to Germany and to enable her to contribute to the maintenance of international peace and security.

Current Legislation on Foreign Policy: 83d Congress, 2d Session

Review of the United Nations Charter. Hearing before a Subcommittee of the Senate Committee on Foreign Relations on Proposals To Amend or Otherwise Modify Existing International Peace and Security Organizations, Including the United Nations. Part 4, Greensboro, N. C., May 15, 1954. 145 pp.

Antarctic Expedition. Hearing before the Senate Committee on Armed Services on S. 3381, a Bill To Authorize the President To Provide Assistance to an Expedition to the Antarctic in Furtherance of the Interests of the United States. July 1, 1954. 27 pp.

Implementing International Convention for High Seas Fisheries of the North Pacific Ocean. Hearing before a Subcommittee of the Senate Committee on Interstate and Foreign Commerce on S. 3713, a Bill To Give Effect to the International Convention for

the High Seas Fisheries of the North Pacific Ocean, Signed at Tokyo, May 9, 1952, and for Other Purposes. July 12, 1954. 18 pp.

To Amend the Foreign Service Act of 1946. Hearing before the House Committee on Foreign Affairs on H. R. 9910, To Amend Section 413 (b) of the Foreign Service Act of 1946. July 14, 1954. 47 pp.

Mutual Security Appropriations for 1955. Hearings before a Subcommittee of the House Committee on Appropriations. July 7-17, 1954. 562 pp.

Special Study Mission to Latin America on Technical Cooperation. Report by Hon. Donald L. Jackson, California, Chairman, Subcommittee on Inter-American Affairs of the House Committee on Foreign Affairs, pursuant to H. Res. 113, a Resolution Authorizing the Committee on Foreign Affairs To Conduct Thorough Studies and Investigations of All Matters Coming Within the Jurisdiction of Such Committee. H. Rept. 2442, July 22, 1954. 143 pp.

Trading With the Enemy Act. Report to accompany S. 3423. S. Rept. 1982, July 24, 1954. 23 pp.

Notification by the Netherlands Government with Respect to the Netherlands Antilles. Message from the President of the United States Transmitting a Notification Embodied in a Note from the Netherlands Ambassador in Washington to the Secretary of State, Dated June 24, 1952, with a View to Extending the Operation of the Convention of April 29, 1948, Respecting Taxes on Income and Certain Other Taxes, to the Netherlands Antilles, with Certain Limitations by the Netherlands Government. Executive I, July 24, 1954. 6 pp.

Proposed Supplemental Appropriations, Department of State. Communication from the President of the United States Transmitting a Proposed Supplemental Appropriation for the Fiscal Year 1955, Department of State, Amounting to \$900,000. S. Doc. 147, July 26, 1954. 2 pp.

Tariff Reclassification of Dictophones. Report to accompany H. R. 8932. S. Rept. 1984, July 26, 1954. 4 pp.

Extending Greetings to the Gold Coast and Nigeria. Report to accompany H. Res. 648. H. Rept. 2497, July 26, 1954. 2 pp.

Federal Republic of Germany. Report to accompany H. R. 9988. H. Rept. 2498, July 26, 1954. 3 pp.

Providing for the Pro Rata Sharing of the Cost of Certain Claims with Foreign Nations. Report to accompany H. R. 8684. H. Rept. 2523, July 26, 1954. 17 pp.

The Pan American Institute of Geography and History. Report to accompany H. J. Res. 565. H. Rept. 2524, July 26, 1954. 11 pp.

Restoring Sovereignty to Germany. Report to accompany S. Res. 295. S. Rept. 1991, July 28, 1954. 4 pp.

Authorizing Relief of Authorized Certifying Officers From Exceptions Taken to Payments Pertaining to Terminated War Agencies in Liquidation by the Department of State. Report to accompany S. 1184. H. Rept. 2562, July 28, 1954. 4 pp.

Convention on Double Taxation with the Federal Republic of Germany. Message from the President of the United States Transmitting a Convention Between the United States of America and the Federal Republic of Germany for the Avoidance of Double Taxation with Respect to Taxes on Income, Signed in the English and German Languages at Washington on July 22, 1954. Executive J, July 29, 1954. 15 pp.

Supplemental Appropriation—Funds Appropriated to the President. Communication from the President of the United States Transmitting a Proposed Supplemental Appropriation for Fiscal Year 1955, Amounting to \$5,000,000 for Funds Appropriated to the President. S. Doc. 150, July 29, 1954. 2 pp.

Trading with the Enemy Act. Minority Views to accompany S. 3423. S. Rept. 1982, Part 2, July 29, 1954. 6 pp.

Amending Section 22 of the Organic Act of Guam.

Report to accompany H. R. 8634. S. Rept. 2006, July 29, 1954. 11 pp.

Twelfth Semiannual Report on Educational Exchange Activities. Letter from Chairman, United States Advisory Commission on Educational Exchange Transmitting the Twelfth Semiannual Report by the United States Advisory Commission on Educational Exchange for the Period January 1 to June 30, 1954, pursuant to Section 603 of Public Law 402, 80th Congress. H. Doc. 483, July 29, 1954. 7 pp.

Relief and Rehabilitation in Korea. Twenty-third Intermediate Report of the House Committee on Government Operations. H. Rept. 2574, July 29, 1954. 75 pp.

Authorizing the Erection of a Memorial Gift from the People of the Netherlands. Report to accompany H. J. Res. 356. S. Rept. 2019, July 30, 1954. 4 pp.

Supplemental Appropriation Bill, 1955. Report to accompany H. R. 9936. S. Rept. 2034, July 31, 1954. 79 pp.

The Contribution of Atomic Energy to Medicine. Hearings before the Subcommittee on Research and Development of the Joint Committee on Atomic Energy. June 2-4, 1954. 194 pp.

Review of the United Nations Charter. Hearing before a Subcommittee of the Senate Committee on Foreign Relations on Proposals To Amend or Otherwise Modify Existing International Peace and Security Organizations, Including the United Nations. Part 5, Louisville, Ky., June 7, 1954. 106 pp.

Extending Certain Rights and Benefits to Coast and Geodetic Survey Officers Serving in Military Hazard Areas. Hearing before a Subcommittee of the Senate Committee on Interstate and Foreign Commerce on S. 2389, a Bill To Amend the Act of December 3, 1942. July 6, 1954. 8 pp.

Restrictions on the Admission of Cattle and Poultry into the Virgin Islands. Report to accompany S. 3800. S. Rept. 2042, August 2, 1954. 3 pp.

Amending the Refugee Relief Act of 1953. Report to accompany H. R. 8193. S. Rept. 2045, August 2, 1954. 9 pp.

Amending the Strategic and Critical Materials Stockpiling Act. Report to accompany S. 3585. S. Rept. 2195, August 2, 1954. 7 pp.

Published Articles and Broadcasts by Foreign Agents. Report to accompany S. 521. S. Rept. 2200, August 2, 1954. 3 pp.

Joint Congressional Committee on Tin. Report to accompany H. Con. Res. 259. S. Rept. 2208, August 3, 1954. 3 pp.

Amending the Copyright Law in Implementation of the Universal Copyright Convention. Report to accompany H. R. 6616. H. Rept. 2608, August 3, 1954. 10 pp.

Protecting the Rights of Vessels of the United States on the High Seas and in Territorial Waters of Foreign Countries. Report to accompany H. R. 9584. S. Rept. 2214, August 4, 1954. 7 pp.

Amending the War Claims Act To Confer Benefits on Certain American Citizens Interned or Held Prisoners of War During the Hostilities in Korea. Report to accompany H. R. 9390. S. Rept. 2248, August 5, 1954. 7 pp.

Granting of Permanent Residence to Certain Aliens. Report to accompany H. Con. Res. 254. S. Rept. 2252, August 5, 1954. 2 pp.

Mutual Security Act of 1954. Conference Report to accompany H. R. 9678. H. Rept. 2637, August 5, 1954. 48 pp.

Double Taxation Conventions with Japan and the United Kingdom. Report to accompany Executive D, 83d Cong., 2d sess.; Executive E, 83d Cong., 2d sess.; and Executive H, 83d Cong., 2d sess. S. Exec. Rept. 6, August 6, 1954. 10 pp.

Mutual Security Appropriation Bill, 1955. Report to accompany H. R. 10051. S. Rept. 2268, August 6, 1954. 22 pp.

Providing for the Joint Committee on Tin. Report to ac-

company H. Con. Res. 259. S. Rept. 2315, August 6, 1954. 3 pp.

Pro Rata Sharing of Certain Foreign Claims. Report to accompany S. 3844. S. Rept. 2324, August 6, 1954. 4 pp.

Customs Simplification Act of 1954. Report to accompany H. R. 10009. S. Rept. 2326, August 6, 1954. 16 pp.

The Pan American Institute of Geography and History. Report to accompany H. J. Res. 565. S. Rept. 2327, August 6, 1954. 4 pp.

Greetings Extended to the Gold Coast and Nigeria. Report to accompany S. J. Res. 183. S. Rept. 2328, August 6, 1954. 2 pp.

Atomic Energy Act of 1954. Conference Report to accompany H. R. 9757. H. Rept. 2639, August 6, 1954. 49 pp.

Requiring International Agreements Other Than Treaties To Be Transmitted to the Senate Within 60 Days After Execution Thereof. Report to accompany S. 3067, as amended. S. Rept. 2340, August 7, 1954. 3 pp.

Disposition of Seamen's Effects. Report to accompany S. 2017. S. Rept. 2350, August 7, 1954. 10 pp.

Declaring the Customs Court To Be a Constitutional Court. Report to accompany S. 2975. S. Rept. 2352, August 7, 1954. 4 pp.

Declaring the Court of Customs and Patent Appeals a Constitutional Court. Report to accompany S. 3131. S. Rept. 2353, August 7, 1954. 7 pp.

Amendments to the Bill (S. 1766) Entitled "An Act To Establish the Office of Commissioner of Refugees." Report to accompany amendments to the bill S. 1766. S. Rept. 2356, August 9, 1954. 2 pp.

Claims of Former Prisoners of War. Report to accompany S. 221. S. Rept. 2361, August 9, 1954. 5 pp.

Report of the Select Committee To Investigate Communist Aggression Against Poland, Hungary, Czechoslovakia, Bulgaria, Rumania, Lithuania, Latvia, Estonia, East Germany, Russia and the Non-Russian Nations of the U.S.S.R. Second Interim Report of the House Select Committee on Communist Aggression. H. Rept. 2650, August 9, 1954. 25 pp.

Preventing Entry of Livestock and Poultry Diseases into the Virgin Islands. Report to accompany H. R. 10077. H. Rept. 2653, August 10, 1954. 3 pp.

THE DEPARTMENT

Functions and Authorities of Department Officers ¹

Pursuant to the authority vested in the Secretary of State by sections 3 and 4 of Public Law 73, 81st Congress, approved May 26, 1949 (63 Stat. 111), and in accordance with the requirements of section 3 (a) (1) of Public Law 404, 79th Congress, approved June 11, 1946 (60 Stat. 238), functions and authorities are hereby prescribed for the positions enumerated below. All prior delegations of authority and public notices which are inconsistent or in conflict with the functions and authorities herein prescribed are, to the extent of such inconsistencies or conflicts, hereby superseded. Nothing contained herein shall authorize the exercise of authority which by law is required to be exercised solely by the Secretary of State.

The Under Secretary of State for Administration.
a. Exercises the authority vested in the Secretary of State

¹ Public Notice 133; 19 *Fed. Reg.* 5112.

by section 3 of Public Law 73, 81st Congress, to "administer, coordinate, and direct the Foreign Service of the United States and the personnel of the State Department."

b. Exercises the authority now or hereafter vested in the Secretary of State or the Department of State with respect to the administration of the Department of State and the Foreign Service.

c. Provides general direction and control of the organizational structure and assignment of functions in the Department of State and the Foreign Service.

d. Provides general direction for the use of appropriated funds, for the establishment of program priorities for budgetary purposes, and the administrative implementation of approved substantive policies and programs.

e. Directs and supervises the activities of the Assistant Secretary for Personnel and Administration, the Administrator of the Bureau of Inspection, Security, and Consular Affairs and the Director General of the Foreign Service.

Assistant Secretary of State for Personnel and Administration. a. Develops, establishes, revises and promulgates the organizational structure and assignment of functions in the Department and the Foreign Service.

b. Directs the administration of the personnel program of the Department and the Foreign Service.

c. Establishes relative program priorities for budgetary purposes and supervises the use of appropriated funds in accordance with congressional limitations, program objectives, and policies of the President and the Secretary.

d. Directs preparation of annual budget estimates and the allocation of funds made available to the Secretary or the Department.

e. Directs the development and operation of administrative management controls including fiscal controls, reporting systems, manuals of regulations and procedures, etc., designed to promote efficient, economical, and effective operation in all areas of the Department and the Foreign Service, and to enforce compliance with established policies and instructions.

f. Directs and provides for the acquisition, maintenance and operation of buildings, grounds, and other facilities required for use in connection with the Department's operations abroad.

g. Directs and provides procurement, communication, transportation, fiscal and other administrative services.

h. Prescribes and promulgates such rules and regulations, and makes such delegations of authority as may be necessary to carry out his assigned responsibilities.

Administrator, Bureau of Inspection, Security and Consular Affairs. a. Provides technical direction for the consular program of the Foreign Service and directs

related work of the Department, including such activities as passport services, protection and welfare of American citizens and interests, issuance of visas, representation of interests of foreign governments, and export control of munitions.

b. Directs the security program of the Department and the Foreign Service.

c. Directs the administration of the Refugee Relief Program established by the Refugee Relief Act of 1953, Public Law 203, 83d Congress (67 Stat. 400).

d. Directs the administration of the Department's domestic and foreign inspection programs.

e. Prescribes and promulgates such rules and regulations as may be necessary to carry out his assigned responsibilities.

Dated: AUGUST 4, 1954.

[SEAL]

JOHN FOSTER DULLES,
Secretary of State.

Designation

Frederick R. Carson as Deputy Director, Office of International Administration, effective August 4.

Retirement

Robert C. Alexander, Deputy Administrator of the Refugee Relief Program, effective July 27 (press release 407).

FOREIGN SERVICE

Confirmation

The Senate on July 28 confirmed Arthur A. Ageton to be Ambassador to Paraguay.

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Releases may be obtained from the News Division, Department of State, Washington 25, D. C.

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No.	Date	Subject
432	8/10	Dulles: Good partners.
*433	8/10	Dulles: Herbert Hoover's birthday.
434	8/10	Dulles: Atomic pool plan.
435	8/10	Dulles: Japan's economic position.
436	8/11	Hearings on Philippine trade.
*437	8/12	Gov. Murray to visit Mexico.
438	8/12	Military cemetery in England.
439	8/13	Cuban tariff concession.
440	8/13	N. Pacific fisheries legislation.
441	8/13	Rastvorov granted asylum.
†442	8/13	Lectures on atomic energy.
443	8/14	Asian security conference.
444	8/14	U.S.-Philippine Council meeting.
445	8/14	U.S. planes at Dutch airbase.

*Not printed.

†Held for a later issue of the BULLETIN.



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The Department of State bulletin

VOL. XXXI, No. 792 • PUBLICATION 5578

August 30, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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The Interrelationship of Military Power and Foreign Policy

*by Deputy Under Secretary Murphy*¹

This is a good place and a good time to discuss the interrelationship of military power and foreign policy. Omaha is a good place because in the environs of this prosperous, peaceful, and hard working community, deep in the American hinterland, is located the headquarters of the great strategic air force. And the time is good for the reason that events are plainly compelling the United States to reexamine some of the assumptions and plans upon which it has heretofore approached its great task on behalf of its own vital interests and those of its partners in the free world.

Precisely what is the American task? As defined in the recent past by the President and the Secretary of State, United States foreign policy is trying to do three things. Its aim is to prevent war and the further disruption of civilization as a result of war. Its aim is to demonstrate, by conduct and example, the good fruits of freedom in contrast with the bitter fruits of despotism. Its aim is to provide the major part of the world's effort needed for the healthy development of the world's undeveloped areas.

These are the simple fundamentals of the American approach to the rest of the world. As Secretary Dulles has said on another occasion, these aims do not include an obligation on our part to be responsible for everything and anything that may happen on this troubled and divided planet. We do not consider it to be our self-appointed mission to attempt to put things to right whenever they go awry elsewhere in the world. Nor are we under any delusion that there exists any magic American formula for solving the world's problems. Our intent, as the President recently put it, is to be above everything else a "good partner," and in that role we propose to proceed under the traditional assumption that, as regards the rest of the world, the best solutions to the common besetting problems are those originating with the peoples directly concerned.

¹Address made before the Air Force Association at Omaha, Nebr., on Aug. 20 (press release 463).

Now we have in ample measure the means to live with these aims, the crude and naked hostility of the Communist bloc notwithstanding. It is no exaggeration to say that never before, in a period short of general war, has American military power been so great relative to that of any avowed or prospective enemy, or combination of enemies. There is no question in my mind that our commanding position in the new technology of warfare—particularly nuclear weapons and the air power for delivering them—leaves the balance of power tilted in our favor.

Nevertheless a paradox today pervades the American position. These same weapons that assure us the margin of advantage over a thrusting and implacable enemy have themselves generated doubt and apprehensions, not only at home but also among our allies.

This is indeed a strange and puzzling situation. With what is this nation left to defend itself if the instrumentalities brought forward out of our technical inventiveness are themselves allowed to become the object of brooding misgivings and indecision?

Let me make myself clear. I share with all reasonable men an abhorrence of war, whether nuclear or conventional. Most of us here have had experience with war. We are all, I am sure, equally revolted by the mere thought of any possible resumption of slaughter, all the more so in the context in which, as a result of the development of mass-destruction weapons, war is now commonly envisaged. If we Americans can be said to have one unifying desire, dominating others, it is to prevent the outbreak of more war.

Yet it seems to me that a good deal of nonsense is being written and spoken about these new weapons. Suppose the situation had been reversed. Suppose it had not been us but the other side that had first come into possession of these weapons of advantage. Then there would indeed be reason for hysteria and hand-wringing. Let us be thankful that these new forms of power have been a bulwark to the free world's defense.

Cold wars demand cold nerves. It is important, of course, not to underestimate one's enemy. But let us never be lulled into underestimating our own strength. The United States has no intention of dumping its nuclear stockpiles loose upon the world. Through all the harassment of a cynical and relentless enemy our purpose has remained clear. These weapons will be called into play only to put down aggression. But neither does the United States propose to invite its own annihilation. We cannot—we will not be annihilated.

Need for Perspective

The important thing is for Americans and our friends and allies to keep their perspective in this matter. We have strength—more, I suspect, than is generally realized. And that strength includes a good deal more than the obvious military quotients. Most importantly, they include the essential reserves of national character. We Americans have long since ceased to be a new and young and presumably reckless people. Compared to these totalitarian and authoritarian communities that now challenge the existing order we are really quite old, and we are certainly mature as traditions are measured. As the President wisely pointed out the other day, no one need fear that the United States will act impulsively or truculently. It is not in our character, when great issues are at stake, to be diverted by small commotions. If we have held our fire, if we have refused to bring our reserves of power to bear peremptorily upon peripheral situations, it is because of our deliberate and calculated policy not fully to engage our strength so long as there is hope for a peaceful and reasonable settlement of the conflict that is engrossing too much of the energies and resources of the world.

This audience can be depended upon to keep its head clear on this essential point. More than most, you have a professional knowledge of the nature and meaning of the new technical foundations of American power. But some are in danger of being misled. The Soviet adversary has been extremely clever. He has hammered tirelessly and, I regret to say, with some success on the bogus theme that, if only the United States could be forced by the pressure of world opinion to spike its atomic weapons, peaceful coexistence would be possible and tension would disappear among nations. That propaganda has played upon the natural instincts of decent people everywhere. In consequence, there has been generated in some of the communities which lie between us and the Soviet Union a generalized but baseless fear that the world is drifting toward a thermonuclear holocaust from which at best only the husk of civilization as we know it would survive.

I, for one, refuse to yield to so pessimistic a view. Marvelous as may be the progress of science, I cannot bring myself to believe that man has or

ever will come into the means of encompassing his own extinction. My faith teaches me otherwise, and the slow progress of civilization confirms my belief. Moreover, as a practical matter, I believe that our possession of these weapons has confined the spread of the Soviet tyranny within its present limits.

There is no mystery about the American attitude in the matter of nuclear weapons. Ever since 1946 this country has endeavored to work out with Soviet Russia a plan for the control of mass-destruction weapons. What we invented we were prepared to put aside in the general interest of mankind. We insisted, however, that this be done in such manner as to insure, by effective controls and safeguards, that these mass-destruction weapons would be abolished in fact and not in fancy. We also asked that, in the common interest, all other armed forces and conventional weapons should be simultaneously reduced and regulated under adequate safeguards and in such balanced way as to avoid a disequilibrium of power. In brief, we believe that the Communist world must reduce those elements of armed strength in which it has preponderance, just as we would cut down those elements in which we have greater strength than the Communists.

Atomic Energy Pool

The United States went farther. The President, in his historic proposal before the United Nations last December, offered to share with other nations, on a fair and equitable basis, part of the immense pool of energy now represented by the American atomic stockpiles. This was a bona fide offer. It was intended to divert the world from a morbid preoccupation with only the malign potentialities of atomic energy to the benign uses of which it is fully susceptible. The American idea was to set up an international atomic energy agency or authority through which this material could be used to help supply the needs of the power-starved areas of the world and in time to supply the needs of industry, agriculture, medicine, and other peaceful pursuits.

This was not a new kind of disarmament proposal. This was a project for world cooperation in atomic energy—not for international control. The contributions of fissionable material to the international authority would be limited by prudence, and initially the quantities would be small. But the hope was that from such a beginning, with this new material being put to work in constructive and healing enterprises, the film of distrust that now clouds so much of the world's thinking would be dissipated and in due course a basis of understanding would emerge.

Unfortunately, as Secretary Dulles mentioned the other day,² the Soviet response to this proposal

² BULLETIN of Aug. 23, 1954, p. 273.

has been just about "99 percent negative." The Soviet Union has, in effect, said that it cannot discuss an agency devoted to the peaceful pursuits of atomic energy unless the U.S. agrees first to "a solemn and unqualified obligation not to use atomic, hydrogen, or other weapons of mass destruction."

The Soviets, in their perverse way, without ever quite saying no but never yes, have tried to torpedo the proposition.

There the matter rests. The Soviets—up to the present at least—won't come forward to join the United States in a joint contribution of fissionable material to an international agency in the general interest. And they have made it plain there is to be no disarmament except on their terms—terms that call for banning atomic weapons by paper promises without adequate means by which to see the ban is a fact and not an illusion, terms which put off to an indefinite future any reduction in the weapons and manpower in which they have the military advantage.

In the face of these circumstances, the United States, while holding the door open for negotiation, has no choice, in the absence of a safe alternative, but to stand meanwhile on the resources it has developed for its own defense.

How these resources fit into American foreign policy and in turn into national strategy has been laid down by Secretary Dulles in a famous speech.³ He said that our strategy depends "primarily upon a great capacity to retaliate, instantly, by means and at places of our choosing." The key phrase is "a great capacity." We, of course, also depend on collective security and on the necessity for flexibility and facilities which make various responses available to meet aggression. Our policy is not to turn all wars into total wars but to be able to insure that aggression does not pay. The strategy enunciated by Secretary Dulles still stands. There has been no turning away from it. And the fact that this capacity was not brought directly into action in the most recent theaters of provocation—Korea and Indochina—in no way derogates from the validity of the strategy. On the contrary, it indicates the compunction with which it will be used.

There is increasing and convincing evidence that the Communist strategists have in their own secret councils tacitly acknowledged the superiority of American air and atomic power. It is noticeable that since Mr. Dulles made his pointed references to the American capacity to retaliate on a massive scale there has been a visible decline in the trend of open aggression—even a manifest eagerness, as in Viet-Nam, to liquidate aggressive operations in progress short of full success.

In this new reluctance of the Communist bloc

to undertake new overt military adventures we may have reason for encouragement, even though an occasional Red Chinese general or commissar may indulge in bombast about taking Formosa. The Soviet periphery extends across 20,000 miles, and we can perhaps expect to hear more such threats in the future—threats that will from time to time undoubtedly be accompanied by hostile pressures, tentative or otherwise.

New Phase of Cold War

Nevertheless, the cold war at the moment appears to be entering a new phase. A lull seems to have fallen on Soviet-directed action. Where the game before was to step up the pressure and heighten the tension, Soviet strategy, in its current manifestation, seems to have for its immediate object a gradual letdown in the pressure readings. This shift may be connected with a number of reasons, including, among others, a scheme to lull the non-Communist world in order to divide it and, in any event, to isolate this country. But there may be another and more significant reason. It could well be that Soviet leadership has at long last perceived the unwisdom of recklessly challenging the determination of the American people as expressed by responsible members of our Government.

But overt action is only one of the many means of conquest practiced by Soviet strategy, and it is perhaps the easiest to oppose. Subversion as a highly developed technique poses for us a far more delicate and dangerous threat in those areas where, for a complex of political, economic, and social reasons, the populations are especially vulnerable to Communist infiltration. Among people longing for independence or caught up in backward economies or suffering under social inequities, the Communist drive has, in many instances, succeeded in undermining the political structure. These successes have no doubt whetted Communist appetites. In Indochina, for example, successful infiltration and subversion of this kind finally led to open conflict. In such situations, where the American contribution is indirect and where control of matters rests in hands other than our own, the problem of devising a successful response becomes difficult.

Here, it seems to me, the capacity for retaliation by itself is not enough, nor, for that matter, was it ever intended to supply the whole answer. The world as it exists consists of many different bits and pieces, and a strategy that is effective in one part is not necessarily effective in another. It is one thing, for example, to draw a line across the highly developed communities of one continent and say that an open assault in that region could only result in starting a general war. But among the more distant and less politically stable communities, what good is a line if subversion and in-

³ Made before the Council on Foreign Relations on Jan. 12 (*ibid.*, Jan. 25, 1954, p. 107).

filtration, reaching into innumerable villages and hamlets, have suddenly brought the friendly government down from within? The thing to retaliate against has by that time lost itself among and merged with the innocent and the duped; the line of demarcation has vanished, and only catastrophe could result from bringing the new means of power to bear.

My point is an obvious one. It is that while the capacity for retaliation, so long as it is maintained in such strength that it cannot be itself overpowered, can be a decisive deterrent to a general war, it is not necessarily the complete answer to all situations. Mr. Dulles saw this clearly when he defined the present strategy. He stressed the need for local defense and for the shoring up of local governments against internal subversion and indirect or minor satellite aggressions. But, as Indochina demonstrated, a gap lay exposed in the free world's defense and the enemy exploited it.

Plainly, Viet-Nam was not the last such opening. The situation in Southeast Asia is still in danger. But out of the meeting of Pacific and Southeast Asia powers in the Philippines early next month will, we hope, develop a community defense embracing much of that area.

Elsewhere in the world the community defense idea is developing slowly and unspectacularly, but solidly. In the Balkans and in the Near and Middle East along the so-called northern tier of nations between Turkey and Pakistan, new alliances and consultative arrangements are taking shape. A deterring bulwark is materializing slowly around the Communist orbit.

All this is to the good. But there is one thought I should like to leave with this distinguished and experienced audience. In our response to the Soviet challenge, it has more than once occurred to me that we Americans have been inclined perhaps too quickly to the well-worn path of vast expenditures for military "hardware"; for the piling up of physical paraphernalia for defense and attack; for the organization, in short, of our national security almost exclusively in terms of physical safety and survival.

This, of course, is instinctive, basic, and essential. But have we not also tended to overlook something else equally advantageous? Specifically, I mean the possibility of influencing the minds and ideas of the masses behind the iron and bamboo curtains and those elsewhere who are constantly exposed to the deceptions of Communist propaganda. Are we really doing all we should in the realm of this vast unknown? Is it not possible that the channeling of only a fraction of the ingenuity, effort, and imagination now going into weapons into the additional task of reaching and influencing these minds might produce in time an incalculable dividend.

The opportunity before us, as I see it, is a choice between the possibility of victory attended by a

holocaust and a less spectacular but equally decisive victory minus the chaos and destruction that are implicit in these so-called unconventional weapons.

The ultimate strength of the American is not the weapons in his hands but his capacity for sustained purpose. We could make no greater mistake than to underestimate the profound importance of that resource.

Anniversary of Allied Landings

White House press release dated August 14

Following is a message from the President which was read on August 14 by Gen. Jacob L. Devers, personal representative of the President, at ceremonies at Le Canadel, France, marking the 10th anniversary of the landings of Allied armies of liberation.

Ten years ago an Allied force landed on the southern coast of France and later joined other Allied forces to liberate France and destroy a tyranny imposed by totalitarian dictators.

The valorous French First Army, led by the late Marshal deLattre de Tassigny, was among those forces which on that day demonstrated that there are men in the world strong enough and brave enough to make supreme sacrifices for the ideals in which they believe. The occasion of this landing was only one example of this heroism. Many times thereafter the reconstituted French forces, with their allies, showed the determination and courage that win and preserve freedom for men.

I have been proud to know the people of the great French nation, and I hold the deepest respect and admiration for their devotion, as individuals and as a nation, to their individual liberties and their country's independence. With them, I pay tribute to this great event now being commemorated; with them, I mourn their lost comrades, many of whom were also comrades of mine. Today, as new perils threaten, may we continue to march unitedly, as we did a decade ago, and together may we continue to strive and to persevere toward the international good will and peace for which we commonly yearn.

Representative to U.N. Assembly

The Senate on August 20 confirmed James Philip Nash to be an alternate U.S. representative to the ninth session of the General Assembly of the United Nations, to serve no longer than December 31, 1954.¹

¹ For confirmations of other U.S. representatives, see BULLETIN of Aug. 16, 1954, p. 248.

Flood Relief for Pakistan

PRESIDENTIAL AUTHORIZATION

White House press release dated August 14

The President sent a memorandum on August 14 to the Secretary of State, Secretary of Agriculture, Director of the Bureau of the Budget, and Director of the Foreign Operations Administration advising them of his approval of emergency assistance to flood victims in Pakistan. The President's action was in accordance with a recommendation by the Director of the Foreign Operations Administration and was pursuant to the authority vested in him by Title II of Public Law 480, 83d Congress, 2d Session.

This was the second such action this week. On August 12 the President approved similar emergency assistance for meeting flood and other urgent requirements in Austria, the Federal Republic of Germany, and the Soviet Zone of Germany.¹ In the August 12 action the President directed that up to \$4 million worth of agricultural commodities from the stocks of the Commodity Credit Corporation be used for relief in that area, this sum being computed on the basis of the Corporation's investment in the commodities made available for export together with cost of processing, packaging, inland transportation within the United States, and handling.

No announcement was made of the specific amount of relief assistance authorized for Pakistan, pending a more precise determination of the full extent of the flood damage. However, American diplomatic representatives in Pakistan have reported during the past few days that extraordinarily serious floods in East Pakistan have directly affected an estimated total of 7 million people. It is also clear on the basis of present reports that there has been widespread destruction of the homes of villagers and considerable damage to crops.

The President directed that the Secretary of State conclude any bilateral agreement with the Government of Pakistan that may be necessary in connection with the furnishing of the authorized assistance.

Arrangements for carrying out the program, including specifications of the commodities and the provision of mutual security funds to cover the costs of ocean transportation, are the responsibility of the Director of the Foreign Operations Administration under the President's memorandum. The transfer of the commodities will be upon such terms and conditions as the Director determines to be appropriate, after consultation with the Secretary of State.

¹ BULLETIN of Aug. 23, 1954, p. 271.

MEDICAL SUPPLIES FLOWN TO DACCA

The Department of Defense announced on August 14 that two U.S. Air Force transport planes had left the United States the previous day for Dacca with a cargo of 55,000 to 60,000 pounds of medical supplies for flood victims in East Pakistan. The planes were to be routed through North Africa.

Meanwhile 40 two-man teams of Army medical corpsmen from the Far East Command were preparing to fly from bases in Japan with supporting personnel and equipment.

The Foreign Operations Administration furnished the medical supplies flown to Pakistan by the Air Force. Included among the supplies were various serums and large quantities of chlorine powder and sulfa drugs to be used by the medical teams to combat possible cholera and typhus epidemics.

In addition, Foa announced on August 14 that the U.S. Public Health Service of the Department of Health, Education and Welfare is sending Dr. Alexander Langmuir, chief of epidemic control programs, and a six-man team of experts.

More than 7 million persons have been affected by the rampant overflow of the Brahmaputra River, swollen by the incessant rains of the monsoon season which extends from mid-May into October. According to reports from the flood area received by Foa, the summer rice crop has been inundated and partly destroyed. Although rice stores generally have been saved, the flood makes distribution difficult. A sizable portion of the jute crop has been wiped out. Many homes, livestock, and effects have been washed away.

Pakistani Prime Minister's Visit

White House press release dated August 18

At the invitation of the President, Mohammed Ali, Prime Minister of Pakistan, will visit the United States this fall.

The Prime Minister is scheduled to arrive in this country early in October. After brief visits to other cities, the Prime Minister will come to Washington on October 16 as an official guest of the U.S. Government and will remain at Blair House until October 18.

The purpose of the Prime Minister's visit will be to renew personal and official friendships which he made as Pakistan's Ambassador to the United States in 1952-53, and to discuss with U.S. officials general problems of mutual interest.

The President will give a luncheon for the Prime Minister at the White House on October 18.

Senators Smith and Mansfield To Attend Far East Conferences

Press release 466 dated August 20

Secretary Dulles has invited Sen. H. Alexander Smith of New Jersey and Sen. Mike Mansfield of Montana to accompany him as bipartisan congressional advisers to the United States-Philippine Council meeting in Manila on September 4, and the meeting on a Southeast Asia Pact beginning on September 6.¹ Both Senator Smith and Senator Mansfield have accepted this invitation.

Both Senator Smith and Senator Mansfield are recognized as experts on the Far East. Senator Smith is Chairman of the Senate Foreign Relations Subcommittee on the Far East. Senator Mansfield, also a member of the Senate Foreign Relations Committee, previously served on the Foreign Affairs Committee of the House.

Letters of Credence

Guatemala

The newly appointed Ambassador of Guatemala, Lt. Col. José Luis Cruz Salazar, presented his credentials to the President on August 16. For the text of the Ambassador's remarks and the text of the President's reply, see Department of State press release 446.

Viet-Nam

The newly appointed Ambassador of Viet-Nam, Tran Van Chuong, presented his credentials to the President on August 16. For the text of the Ambassador's remarks and the text of the President's reply, see Department of State press release 447.

Charter Review as a Means of Strengthening the U.N.

by David W. Wainhouse

Deputy Assistant Secretary for United Nations Affairs²

I am pleased to have the opportunity to bring to you today the views of the Department of State on the problem of charter review. In the fall of 1955 the General Assembly will vote on the question of calling a general conference to review the present United Nations Charter. Secretary Dulles has already gone on record in favor of holding a review conference. If the General Assembly votes in favor of holding the conference, as is expected, it will presumably take place either in 1956, or at least by 1957.

Preparations for the review conference are moving ahead. Last year the General Assembly voted overwhelmingly to have the Secretariat prepare important background documentation in connection with the charter review conference. This will include the publication of some unpublished documents of the original San Francisco

conference in 1945, a survey of precedents of United Nations organs, and a detailed index of the San Francisco conference documents. This preparatory work can give all members of the United Nations a general idea of the practical adjustments to changing circumstances which have been made in carrying out the charter's provisions. It will show to what extent the charter has adaptability and capacity for development as a constitutional instrument. It should help clarify where the imperfections of the charter are. It should show how many, if not all, of the deficiencies in the charter can be corrected by solutions not involving charter amendments.

When the eighth session of the General Assembly was debating whether to vote the preparatory studies as an aid to consideration of the charter review problem, the United States representative made it perfectly clear that this country was favoring review of the charter, and not necessarily revision. He told the Assembly:

We do not know now whether changes in the charter will be desirable or possible.³

³ BULLETIN OF Dec. 28, 1953, p. 910.

¹ For announcements of the two meetings, see BULLETIN of Aug. 23, 1954, p. 264. The Southeast Asia Pact meeting, originally to have been held at Baguio, will take place at Manila instead.

² Address made before the American Bar Association at Chicago, Ill., on Aug. 17 (press release 448 dated Aug. 16).

Other countries similarly saw the question as one of holding a general conference to survey the charter in the light of the United Nations experience since 1945—to look it over, without any advance commitments or preconceived notions favoring change.

But this view was not taken by all the members of the Assembly. The Soviet bloc of five, which alone voted against the preparatory studies, interpreted the discussion of charter review as a campaign to amend the charter, and to amend it in one particular—by eliminating the principle of unanimity among the great powers, or the veto, as is commonly known.

Apart from the Soviet attitude, there is much interest in a number of countries in charter review. Government commissions and citizen groups have been formed in such diverse countries, for example, as the Netherlands and Egypt.

Development of Public Consensus

It is a healthy sign that so much interest has developed and that so much preparation is under way 2 years before the review conference. The Department of State keeps in close touch with public opinion in this country. Our public opinion analyses indicate that the interest on the part of the American people on the subject of charter review is great. We are aware also that the American people today are more realistic and analytical in their appraisal of the United Nations than they were in the optimistic days of the San Francisco conference. This balanced understanding of the American people is a firm foundation for examining the crucial issues which will arise in a charter review conference.

The policies which the United States will follow at the conference will be decided upon after the democratic consensus in this country has made itself felt on the important problems. Already we are moving on many fronts. In the first place, a subcommittee of the Senate Foreign Relations Committee, chaired by Senator Wiley, has already completed several excellent studies on subjects such as membership, the development of the United Nations, and the veto. The Senate subcommittee is performing the important task of tapping the grass roots of public opinion by holding hearings in many cities and areas throughout the United States. Hearings have already been held in Akron, Milwaukee, Asheville, and Louisville, and others are scheduled during the ensuing months.

Secondly, private organizations, such as the Brookings Institution and Carnegie Endowment, are supporting or are themselves preparing serious and detailed studies and are holding seminars with a view to placing at the disposal of our Government their findings. We welcome the efforts being made by organizations such as yours to study the issues involved.

Thirdly, the Department of State itself is preparing detailed studies of the problems which have arisen during the last 9 years. It is expected that sometime late in 1955 American public opinion will have developed, the advice of the Senate will have been received, and our own detailed studies completed.

We will then be ready to consult in detail on specific proposals with our free world allies. Charter review is essentially a political problem and must be considered in the context of existing relations among states and the demands of the world situation, from the standpoint not only of United States interests but also of the parallel interests of the rest of the free world. The United Nations is a voluntary association of sovereign states, which depends for implementation of its decisions on the free cooperation of its members. Care must therefore be taken at a review conference to avoid action that would jeopardize this cooperation, and to assure that the decisions reached will contribute to, rather than detract from, the free world's sense of common interest. If the charter review conference is to succeed as an instrument for strengthening the United Nations, it can only do so if the views of other members of the free world are taken into account fully. As Secretary Dulles has aptly put it:

... while a Charter Review Conference should be welcomed as a means of strengthening the United Nations, difference of opinion about how to do this should not then be pressed to a point such that the Review Conference would result in undermining the United Nations or disrupting it. The United Nations as it is, is better than no United Nations at all.⁴

Scope of Review

President Eisenhower has said of the United Nations that "it still represents man's best organized hope to substitute the conference table for the battlefield" and he has characterized it as a "sheer necessity." There is in this country strong support for the United Nations, as shown, for example, by last week's Gallup poll. There is also some disillusionment. There are those who feel that the failure of the United Nations to fulfill all their hopes arises from the fact that it does not go far enough. They advocate its transformation from a voluntary organization of sovereign states into some sort of superstate. At the other extreme are those who are basically skeptical of all worldwide efforts toward international cooperation. They would like to see the United States withdraw from the organization. Still others would like to see the U. S. S. R. and its satellites expelled and the United Nations turned into a closely knit military alliance.

Secretary Dulles in his testimony of January 18 before the Senate subcommittee⁵ said that such

⁴ *Ibid.*, Feb. 1, 1954, p. 172.

⁵ *Ibid.*, p. 170.

proposals do not fall within the proper scope of charter review, since the purpose of such review is to strengthen the existing organization—not to destroy it or completely to change its character. To try to write a completely new charter would, in the words of Secretary Dulles, “open a Pandora’s box,” and the chances of bringing together in a new organization anything approaching the present membership of the United Nations would not be good.

No decision has yet been taken on what amendments to the charter, if any, the United States should advocate. The past 9 years’ experience in the United Nations points to certain major questions as likely to arise at any review conference.

1. *Membership*

One of these questions is the scope of United Nations membership. Would it be desirable to make that membership as nearly universal as possible, always remembering, of course, that there are some regimes that still completely disregard accepted standards of international conduct? The United Nations was in a sense much more nearly universal 9 years ago than it is now. Since 1945, many new nations have come into being, and the ex-enemy states, excluded from original membership in the United Nations, are again becoming important members of the world community. There are now 19 applicants for United Nations membership, 14 of which would have been approved except for Soviet veto. The other five—sponsored by the Soviet Union—have never received a majority vote, since it has not been thought they meet the charter qualifications for membership. This impasse with respect to new members has caused growing concern, and at a review conference two questions in this connection may be raised: Does article 4 of the charter set forth the proper criteria for membership, and should the veto on the admission of new members be eliminated? The Vandenberg resolution of June 11, 1948, recommended a voluntary agreement among the five permanent members of the Security Council to remove the veto in this regard.

2. *Security*

The Security Council has been unable in this sharply divided world to exercise its “primary responsibility for the maintenance of international peace and security.” This raises the basic question whether there are any feasible charter changes that would enable the Council more effectively to discharge this responsibility or whether we should rely on alternative arrangements. For example, could the charter provisions for membership and voting in the Council be improved? Should the veto be removed from the pacific settlement of disputes under chapter VI of the charter? This also was recommended by the Vandenberg resolution, which, you will recall, was adopted by the Senate on June 11, 1948, by a vote of 64-4. Carry-

ing forward the line of development begun in 1950 with the uniting-for-peace resolution, should greater responsibility in the security field be assigned to the General Assembly, where there is no veto? Or in the present world situation might we consider leaving primary responsibility for security to collective self-defense and regional organizations authorized by articles 51 and 52 of the charter?

3. *General Assembly*

The growing importance of the General Assembly in the security field, together with the increasing attention being given by the Assembly to economic and social problems and to “colonial” issues, suggests the question whether some type of weighted voting is needed in that organ reflecting the capacity of members to assume economic and military responsibilities. Further, there is the question whether in these circumstances some reallocation of functions as between the Assembly, the Economic and Social Council, and the Trusteeship Council is needed to enable the United Nations to function more effectively. The magnitude of the program in the economic and social field, as well as its importance in strengthening the free world, points also to a reexamination of the relationship between the United Nations itself and the specialized agencies to see whether any greater integration of the latter with the former would contribute to the efficient operation of this program.

4. *Domestic Jurisdiction*

There has been a growing tendency in the United Nations for states whose sympathies are aroused by conditions outside their own boundaries to bring these conditions to the attention of the organization. This development has given rise to questions and in some cases grave apprehension concerning the interpretation of article 2 (7) of the charter, which stipulates that the United Nations shall not intervene in matters essentially within the domestic jurisdiction of a state. It may be asked, therefore, whether article 2 (7) adequately delimits the competence of the United Nations, or whether a more precise line should be drawn between the common interests within the scope of the association and the individual interests that remain the exclusive concern of a member state.

5. *Armaments*

While the question of regulation of armaments did not receive particular emphasis in the writing of the charter, the awful destructiveness of atomic and nuclear weapons has since heavily underscored this problem. Much effort therefore has been and is being spent by the United Nations in seeking a solution to it. The lack of progress is directly attributable to Soviet policy, but the question still remains whether anything was omitted

from the United Nations basic structure that, if added now, might assist our continuing effort to reach general agreement on a comprehensive program of safeguarded arms regulation and reduction.

6. *International Law*

The role of the U.N. in the advancement of international law is one that particularly commends the attention and faculties of lawyers. Secretary Dulles has asked whether the charter provisions are adequate in view of the importance of law as an accepted standard of international conduct. Article 13 of the charter calls on the General Assembly to initiate studies and make recommendations for the purpose of encouraging the progress and development of international law and its codification. We would all agree, I am sure, that so far too little progress has been made in this field. The difficulty is not too hard to find. With one-third of the world's population ruled by those who do not recognize any moral law and look upon law as another means whereby those in power destroy their enemies, we can understand the difficulties encountered in expanding the scope of international law.

The question which will confront the review conference is what can be done to improve present U.N. activities in the field of codification and development of international law. What can be done to make the actions of nations more orderly? Should efforts to prepare codes of international law be pressed? Should other countries which have not already done so be encouraged to make declarations accepting compulsory jurisdiction of the Court? Should there be established, as suggested by some members of the Bar and writers on international law, regional international tribunals with jurisdiction of private international claims cases submitted by one government against another when negotiation has been unfruitful? Could the composition of the International Law Commission be improved, and could its terms of reference be revised to place emphasis on the restatement of international law? Can greater emphasis be placed on the disposition of legal questions on the basis of law? On these queries there can be a productive exchange of ideas among individuals and groups in the United States who are interested in the charter review problem.

In conclusion let me say that the case for charter review is a strong one. At San Francisco, in 1945, many states had accepted charter provisions to which they strongly objected, on the understanding that there would be an opportunity to review these provisions at the end of 10 years, and we should keep faith with them. Moreover, charter review can be the means to achieve a real strengthening of the U.N. Let us not be deterred by the presence of the veto. A careful review of the charter against the background of 10 years' experience should bring greater understanding to our

people and to the peoples of the world of how essential the U.N. is to the peace, security, and well-being of Americans and the rest of the world. At least the review conference should serve to make clear that the failure of the U.N. to fulfill entirely the high hopes held for it at San Francisco is primarily a matter of political actions and attitudes of member states, and particularly, the Soviet Union.

Charter review should bring about a greater understanding of the potentialities of the charter. It should bring a clear realization of the development within the charter framework that has already taken place in order to meet a world situation not foreseen in 1945. Such a reappraisal could also serve to develop improved practices under the charter. These give some indication of the potential value of a review conference. On the other hand, we must bear in mind that it has its dangers; we recognize that calling the conference might arouse false hopes and might stimulate efforts to rewrite the charter which could seriously endanger the U.N. I am hopeful that we shall avoid these pitfalls and that from the charter review conference there will result the stronger U.N. we seek.

**Conclusion of Discussions
on St. Lawrence Seaway**

Press release 457 dated August 18

The Department of State announced on August 18 the successful conclusion of discussions between the Governments of the United States and Canada on the intergovernmental measures required as a result of the passage by the Congress, and approval by the President on May 13, 1954, of Public Law 358, authorizing participation by the United States in the St. Lawrence Seaway project. The way is now clear for action on both sides of the boundary in the construction of deepwater navigation facilities from Lake Erie to Montreal. It is expected that construction will be completed by the end of 1958.

These discussions were held at Ottawa on July 5 and 6, 1954,¹ and on August 12 and 13, 1954. The Chairman of the U.S. group was Deputy Secretary of Defense Robert B. Anderson. His principal associates were Assistant Secretary of State Livingston T. Merchant; Lewis G. Castle, Administrator of the St. Lawrence Seaway Development Corporation; and Wilbur M. Brucker, General Counsel of the Department of Defense. The Chairman of the Federal Power Commission, Jerome K. Kuykendall, and Assistant Attorney General J. Lee Rankin also participated in the first session.

¹ For the text of communique issued July 6, see BULLETIN of July 26, 1954, p. 125.

On the Canadian side, the discussions were led by Secretary of State for External Affairs Lester B. Pearson. Other members of the group were Minister of Trade and Commerce C. D. Howe, Minister of Transport G. C. Marler, and Lionel Chevrier, President of the St. Lawrence Seaway Authority.

Notes were exchanged at Ottawa on August 17 embodying the understandings reached in these discussions. The texts of the notes follow.

Canadian Note

Note No. X-214

OTTAWA, August 17, 1954

SIR: I have the honour to refer to the Exchange of Notes of June 30, 1952,² between the Canadian Ambassador in Washington and the Acting Secretary of State of the United States in which it was agreed that the Canadian Government would, when all arrangements had been made to ensure the completion of the power phase of the St. Lawrence Project, construct locks and canals on the Canadian side of the International Boundary to provide for uninterrupted 27-foot navigation between Lake Erie and the Port of Montreal.

With the cooperation of the Government of the United States, arrangements were made to ensure the completion of the power phase of the Project by the Power Authority of the State of New York and the Hydro-Electric Power Commission of Ontario. In the meantime, the Congress of the United States enacted and the President approved on May 13, 1954, Public Law 358 which created the Saint Lawrence Seaway Development Corporation and authorized and directed it to construct 27-foot navigation works on the United States side of the international section of the St. Lawrence River.

At the request of the United States Government, representatives of our two governments held meetings in July and August of this year to discuss the need for modification of the Notes exchanged on June 30, 1952 in the light of Public Law 358. Although the Canadian Government is ready and willing to complete the works necessary for 27-foot navigation in the St. Lawrence Seaway on Canadian territory, it understands the desire of the United States to participate in the Seaway Project by constructing certain navigation works on United States territory. Accordingly the Canadian Government is prepared to modify the arrangements set forth in the Notes of June 30, 1952, to the extent that the Canadian Government will be relieved of the obligation towards the United States Government to provide forthwith the navigation works in the general vicinity of Barnhart Island on Canadian territory and in the Thousand Islands section.

² *Ibid.*, July 14, 1952, p. 65.

(a) The Canadian Government wishes to state, however, that it will construct forthwith a canal and lock at Iroquois and that in addition it intends, if and when it considers that parallel facilities are required to accommodate existing or potential traffic, to complete 27-foot navigation works on the Canadian side of the International Rapids Section.

(b) Before undertaking these latter works in the general vicinity of Barnhart Island, the Canadian Government agrees to consult the United States Government and understands that, should the United States Government intend to build on United States territory in the International Rapids Section navigation works in addition to those provided for in Public Law 358, it would similarly consult the Canadian Government.

The Canadian Government reserves the right to decide whether and in what manner it will continue 14-foot navigation works through the International Rapids Section but agrees to consult the United States Government on the question of levying tolls in connection with such works.

(a) It is recognized that it is of great importance to Canada and the United States that the St. Lawrence Seaway be used to the maximum extent required by the needs of commerce. It is understood therefore that both Governments will use their best endeavours to avoid placing unreasonable restrictions on the transit of passengers, shipping or trade in the international section of the St. Lawrence Seaway.

(b) It is further agreed that each Government will consult the other before it enacts any new law or promulgates any new regulation, applicable in the respective national parts of the international section of the St. Lawrence River, which might affect Canadian or United States shipping, or shipping of third-country registry proceeding to or from Canada or the United States respectively.

(c) Similarly, with respect to any laws or regulations now in force in either country which affect the shipping interests of the other country in the international section of the St. Lawrence River, the Government affected may request consultation concerning such laws or regulations and the other Government shall accede to requests for consultation.

(d) The foregoing undertakings are in addition to the treaty obligations now in force between Canada and the United States affecting shipping in the St. Lawrence River and canals, particularly Article I of the Boundary Waters Treaty of 1909.

I should be glad to receive your confirmation that the United States Government agrees with the modification of the Notes of June 30, 1952, proposed in paragraph 3 and with the reciprocal undertakings set forth in paragraphs 4 (b) and 6 of this Note.

The Canadian Government looks forward to the fruitful development of this great Seaway Project

in constructive and harmonious cooperation with the United States and is confident that this joint enterprise will add to the strength and prosperity of our two countries.

Accept, Sir, the renewed assurance of my highest consideration.

L. B. PEARSON
*Secretary of State for
External Affairs*

DON C. BLISS, Esquire
*Chargé d'Affaires ad interim,
United States Embassy,
Ottawa.*

United States Reply

UNITED STATES EMBASSY
Ottawa, August 17, 1954

Note No. 38

SIR: I have the honor to acknowledge the receipt of your Note No. X-214 of August 17, 1954 in which you inform me that the Canadian Government agrees to certain modifications in the arrangements set forth in the Notes of our Governments of June 30, 1952, in the light of the changed circumstances with respect to the St. Lawrence Seaway Project brought about by the enactment by the Congress of the United States of Public Law 358, approved by the President on May 13, 1954.

The United States Government has called the attention of the Canadian Government to the provisions of Public Law 358 authorizing and directing the St. Lawrence Seaway Development Corporation to construct certain canals and locks on the United States side of the International Rapids Section of the St. Lawrence River as its part of the St. Lawrence Seaway Project. As the Canadian Government has been informed, it is the intention of the United States Government to participate in the St. Lawrence Seaway Project by constructing these navigational facilities.

The United States Government agrees with the requirements of consultation between the two Governments set forth in paragraphs 4 (b) and 6 and agrees to relieve Canada of its obligation of June 30, 1952 as referred to in paragraph 3 of your Note No. X-214 of August 17, 1954.

My Government notes the declarations contained in your Note as to the intentions of the Canadian Government with respect to other matters relating to the St. Lawrence Seaway Project.

The United States Government wholeheartedly shares the view expressed by the Government of Canada concerning the benefits to be anticipated from this joint enterprise and welcomes this new opportunity for constructive and harmonious cooperation between our two countries.

Accept, Sir, the renewed assurances of my highest consideration.

DON C. BLISS

The Honorable
LESTER B. PEARSON,
*Secretary of State for External Affairs,
Ottawa.*

Discussions With Panama

Press release 456 dated August 18

The first phase of the discussions between representatives of the United States and Panama, which began September 10, 1953, concerning relations between the two countries has now been concluded.

During this time the Panama delegation presented a number of proposals which have been carefully considered by the interested agencies of the Government of the United States.

Views have been exchanged concerning these proposals in the traditional atmosphere of cordiality which, happily, characterizes relations between Panama and the United States.

The United States has made certain offers bearing on the Panamanian proposals, and the Panamanian delegation will now return to consider these offers with the appropriate authorities of the Government of Panama.

It is expected that after such consultation the Panama delegation will return to Washington.

Atomic Energy Specialist Visits Latin America

The Department of State announced on August 14 (press release 442) that Robert LeBaron, adviser to the Chairman of the Atomic Energy Commission, has accepted an invitation from the Department of State to visit several of the other American Republics under the International Educational Exchange Program.

He left on August 14 for Lima, Peru. Other countries included in his itinerary are Brazil, Uruguay, Argentina, Chile, Panama, and Mexico.

During the tour, which will cover a period of approximately 3 weeks, Mr. LeBaron will speak before professional societies as well as the general public on atomic energy and its application to peaceful uses.

While in São Paulo, Brazil, he will represent this country at the International Exposition to which the U.S. Government has sent an exhibit entitled "Atoms for the Benefit of Mankind."

U. S. Demands Payment From Czechoslovakia in Plane Incident

Press release 465 dated August 20

The Department of State on August 20 released the text of a note delivered on August 18 by the American Embassy at Prague to the Czechoslovak Ministry of Foreign Affairs. The note from the U.S. Government to the Czechoslovak Government prefers a formal diplomatic claim against the Czechoslovak Government on account of the incident of March 10, 1953, when MIG aircraft from Czechoslovakia attacked two U.S. Air Force F-84 patrol aircraft within Germany, destroying one F-84 and injuring the pilot.

The Czechoslovak Government had, in prior notes on this subject,¹ admitted responsibility for the destruction of the F-84 but asserted that the incident took place 40 kilometers within Czechoslovakia and 25 miles south southwest of the Czechoslovak city of Pilsen, that the shooting took place in self-defense, and that it followed a refusal on the part of the F-84 aircraft to land. The note delivered on August 18 is the result of intensive investigation of the incident by the Department of State, and it rejects completely the Czechoslovak Government's defenses as unfounded in fact or law.

The note demands that the Czechoslovak Government pay damages to the U.S. Government in the amount of \$271,384.16 and invites the Czechoslovak Government, in the event that that Government contests the validity of the U.S. Government's claim, to join in submitting the dispute to the International Court of Justice.

The note is accompanied by a chart which presents graphically the essential facts concerning the MIG attack on the unarmed F-84 aircraft deep in the territory of the U.S. Zone of Occupation in Germany.

TEXT OF U.S. NOTE OF AUGUST 18

EXCELLENCY: I have the honor to transmit to you, upon the instruction of my Government, the following communication from my Government to your Government:

The Government of the United States of America refers again to the incident of the morning of March 10, 1953

¹ BULLETIN of Mar. 30, 1953, p. 474, and Aug. 10, 1953, p. 183.

in which MIG-type aircraft from Czechoslovakia attacked and destroyed within the United States zone of occupation in Germany an F-84 aircraft of the United States Air Force.

On July 29, 1953 the United States Government addressed a diplomatic note to the Government of Czechoslovakia informing the Czechoslovak Government that the United States Government had conducted and completed a most detailed investigation of all the facts regarding the incident of March 10, 1953.² The United States Government stated that the differences between the findings of fact made by it respecting the incident and the version given by the Czechoslovak Government were not reconcilable; that the issues of fact raised not only serious questions of credibility but important questions of international law; and that, consequently, it desired to defer the taking of appropriate further action until it had afforded the Czechoslovak Government adequate opportunity to submit to the United States Government the detailed documentary and other evidence which the Czechoslovak Government had indicated was in its possession, but which was not available to the United States Government, and which if true would prove the Czechoslovak Government's version of the incident. The United States Government declared that it reserved the right, if this evidence was not disclosed, to proceed upon the premise that material requested from the Czechoslovak Government and not disclosed would, if they were disclosed, be unfavorable to the Czechoslovak Government's position.

On February 25, 1954 the Czechoslovak Government's Foreign Office informed the American Embassy at Prague that the Czechoslovak Government "have not replied and do not intend to reply" to the United States Government's diplomatic note of July 29, 1953. It alleged as the reason for this position that the Czechoslovak Government in its notes of March 11, 1953 and of March 30, 1953 (which, as received by the United States Government was dated March 28, 1953) "had presented sufficient facts which indisputably proved the violation of the Czechoslovak air space by United States military aircraft, as well as other facts which fully confirm the responsibility of the United States Government for the regrettable incident".

From this behavior of the Czechoslovak Government the United States Government is compelled to conclude that the unwillingness of the Czechoslovak Government to produce any substantiation for the allegations of fact made in its notes of March 11, 1953 and March 30, 1953 arises from the absence of such evidence.

In consequence, the United States Government considers it is free to proceed henceforth in this matter upon the premises which were set forth for this contingency in the note of July 29, 1953.

The purpose of the present communication is to place upon the record the facts which the United States Government has found to be true and, on the basis of these findings of fact, to prefer against the Czechoslovak Government herewith an international diplomatic claim in the nature and in the amounts set out below.

² *Ibid.*, Aug. 10, 1953, p. 180.

I.

Following its intensive investigation of the incident of March 10, 1953, to which reference has been made, the United States Government has made the following findings of fact, which it asserts are true and which it is prepared to prove by evidence in an appropriate forum:

1. Consequent to the surrender of the German Armies and the assumption of supreme authority in Germany by the Allied forces which was announced on June 5, 1945, and through and including March 10, 1953, the United States Government as the occupant of the United States zone of Germany lawfully had and exercised control of the air space of that zone. The United States Air Force authorities situated in Germany assumed and discharged on behalf of the United States Government the duties of air traffic control within the United States zone of Germany, as well as the duty of aerial defense of this territory and of the occupation thereof by the United States Government. The discharge of these duties by the United States Air Force was well known at all times by the Czechoslovak Government and had been specifically notified to the Czechoslovak Government directly.

As the Czechoslovak Government well knew, no Czechoslovak or other alien military aircraft could lawfully cross into or over the United States occupied zone of Germany unless prior authorization for such overflight had been duly requested from and granted by the United States authorities. The established practice and procedure of the United States authorities in Germany, before and on March 10, 1953 was, as the Czechoslovak Government at all times well knew, to identify if possible all aircraft observed to enter the United States zone of Germany so that the purpose of such entry could be determined and the traffic pattern of such aircraft controlled. Where the identification of aircraft observed entering the United States territory of responsibility could not be determined from prior notifications, flight plans filed, or other information it was the practice where feasible to make use of fighter aircraft of the United States Air Force to perform interception for the purpose of identification, and for the purpose of reporting violations of applicable flight regulations committed by such overflying aircraft. At all times, before and on March 10, 1953, the pilots of such interceptor aircraft were under instructions under no circumstances to cross the border of Germany, and the persons controlling their movements were under instructions under no circumstances to permit the border to be crossed, or to engage in violence or force in effecting interception or identification.

2. During March 9, 1953 and in the morning of March 10, 1953 observation by United States Air Force authorities showed that military aircraft from Czechoslovakia were engaged in repeated unauthorized overflights of the border of the United States zone of Germany in circumstances which could not be fairly interpreted as innocent or accidental. The conduct of the Czechoslovak military aircraft involved plainly indicated an aggressive disregard by the competent authorities in Czechoslovakia of the air space of the United States zone of Germany and of the air traffic regulations applicable to overflights by military aircraft, as well as of the rights of the United States Government and the Government of the Federal Republic of Germany respecting the territory of the Federal Republic of Germany.

At 9:38 a. m. Greenwich Mean Time in the morning of March 10, 1953, on account of the number of such repeated unauthorized overflights of the United States zone of Germany by military aircraft from Czechoslovakia, the appropriate United States authorities dispatched two United States F-84 aircraft with instructions to proceed toward the border of Czechoslovakia, responding at all times to the orders of controllers, for the purpose of intercepting, identifying and reporting such aircraft overflying the United States zone of Germany. The two aircraft flew as an element, in accordance with the standard practice. The pilot of the lead aircraft was Captain

Donald C. Smith, Serial Number AO 1903259. The pilot of the wing aircraft was First Lieutenant Warren G. Brown, Serial Number AO 753603. Both pilots were members of the 53rd Fighter Bomber Squadron of the United States Air Force in Germany.

Before becoming airborne, in accordance with the standard practice then obtaining in such cases, the guns of both aircraft had been rendered inoperative by the armorers. From the moment of becoming airborne until, in circumstances which will be more fully described below, the two F-84 aircraft came down within Germany, both aircraft remained continuously and exclusively in the air space of the United States zone of Germany and at no time crossed the Czechoslovak border and at no time entered the Czechoslovak air space.

By the time the two F-84 patrol fighter aircraft had reached the border area within Germany in which the unidentified aircraft from Czechoslovakia had been observed, the overflying, unidentified aircraft had disappeared from observation. The two F-84 patrol aircraft were, therefore, in accordance with the usual practice, directed to and they did conduct a border patrol pattern of flight within the territory of the United States zone of Germany.

Flying at an altitude of approximately 13,000 feet the two F-84 patrol aircraft were proceeding in a southeasterly direction on a heading of approximately 140 degrees within Germany parallel to the range of mountains along which the Czechoslovak frontier ran when, at approximately 9:59 a. m. Greenwich Mean Time, unidentified military aircraft were again observed to be flying within Czechoslovakia toward the German border on a bearing which would bring them within one minute directly into and within the United States zone of Germany. Consequently, Captain Smith and Lieutenant Brown turned northward on a heading of approximately 320 degrees, upon the instruction of the ground control, and while proceeding on this heading they noticed two aircraft on their right moving at great speed from Czechoslovakia at approximately the same altitude as the two patrolling F-84 aircraft and on a course which converged with theirs. Seeking to evade collision with the intruding aircraft, Captain Smith and Lieutenant Brown immediately turned leftwards in a counter-clockwise direction. At this time the speed advantage of the intruding aircraft from Czechoslovakia was such that neither American pilot was able to identify the intruders from any markings, but from their silhouettes and speed they were identified as MIG-type aircraft. The MIG aircraft entered the United States zone of Germany at approximately 10:00 a. m. Greenwich Mean Time, flying in a westerly direction near the German town of Arnstein north of the German town of Waldmuenchen.

The ensuing actions of these MIG intruders from Czechoslovakia all taking place within the air space of the United States zone of Germany, were entirely aggressive and hostile and directed both to avoiding identification and to the willful destruction of the patrolling F-84 aircraft and the killing of the pilots, Captain Smith and Lieutenant Brown. These actions were carried out by the pilots of the intruding MIG aircraft, as the Czechoslovak Government has in substance admitted by its refusal to provide the information requested in the United States Government's note of July 29, 1953, at the specific direction of ground controllers and in accordance with instructions from the responsible competent authorities of the Czechoslovak Government.

Having thus entered the United States zone of Germany, at approximately 10:02 a. m. Greenwich Mean Time, the MIG aircraft crossed the path of the patrolling F-84's over the German town of Kritzenast, while the F-84's for the purpose of avoiding collision were executing the counter-clockwise turn carrying them deeper into Germany. In the turn Captain Smith became separated from Lieutenant Brown. Thereupon one of the intruding MIG aircraft proceeded to pursue Captain Smith over the air space of the United States zone of Germany while the other intrud-

ing MIG placed itself directly behind Lieutenant Brown's aircraft and assumed a hostile and aggressive position, both evading identification and making ready to fire at Lieutenant Brown. Lieutenant Brown, noticing the MIG behind him in an aggressive attitude, proceeded to take evasive and defensive action, seeking to fly farther and farther away from the pursuing MIG and in ever-tightening counter-clockwise circles. But his attempts at disengagement failed, for the speedier pursuing MIG aircraft followed Lieutenant Brown in his 360 degree orbiting pattern, refusing to relent or disengage. Several additional MIG aircraft then appeared in the orbit area, aircraft coming from Czechoslovakia and responding to Czechoslovak controlling authorities. The new intruders joined the two original pursuing aircraft in a concerted, deliberate and hostile action in order to effect the destruction of Lieutenant Brown's aircraft and his death.

Acting upon the specific instructions of the responsible Czechoslovak Government authorities to whom they were responsible, the pilots of the pursuing MIG aircraft opened fire upon Lieutenant Brown's aircraft and continued firing in the unrelenting pursuit. The United States Government has found, and charges, that the first burst of fire was directed against Lieutenant Brown and his aircraft, while Lieutenant Brown was engaged in an evasive counter-clockwise orbit, at approximately 10:05 a. m. Greenwich Mean Time in the air space near the German town of Pemfling, at a point more than ten miles from the closest point of the Czechoslovak border.

Not succeeding in destroying Lieutenant Brown and his aircraft, the pursuing MIG aircraft continued shooting, following Lieutenant Brown in his counter-clockwise orbit, and then succeeded in disabling the aircraft by further firing at it in the air space above the German town of Friedersried, which is almost fifteen miles from the nearest point of the Czechoslovak border. His aircraft thus disabled, Lieutenant Brown lost control of it and it dived sharply, heading south. The MIG aircraft from Czechoslovakia nevertheless continued pursuing him. When Lieutenant Brown succeeded in regaining control of his aircraft, and restoring it to level flight, he abandoned orbiting and attempted to fly a heading of 220 degrees directed further into Germany. But the pursuing MIG aircraft reopened fire in the air space over the German town of Thiermiethach, more than eighteen miles from the nearest point of the Czechoslovak border. This time Lieutenant Brown's aircraft, mortally hit, went completely out of control and Lieutenant Brown was compelled to jettison the canopy of his aircraft and parachute out. Nevertheless, although the F-84 was thus abandoned in mid-air and Lieutenant Brown was parachuting out, the pursuing MIG aircraft continued firing, the last firing taking place in the air space between the German towns of Hofstetten and Sasselberg, twenty and one-half miles from the nearest point of the Czechoslovak border.

It was only at 10:08 a. m. Greenwich Mean Time that the MIG aircraft, pursuing and shooting as above described, disengaged themselves and ascended to higher altitude to leave the area.

The United States Government has found, and charges, that the MIG aircraft from Czechoslovakia therefore deliberately and willfully overflew the air space of the United States occupied zone of Germany from Arnstein, near the border of Czechoslovakia, at 10:00 a. m. Greenwich Mean Time, to Kritzenast where they crossed the path of the patrolling F-84 aircraft, and flying to their left deeper into Germany to the air space north of the German town of Hiltersried, continued west and flew over Voitsried at approximately 10:03 a. m. Greenwich Mean Time, then turned southward and passed the German town of Hillstett at approximately 10:04 a. m. Greenwich Mean Time. Then, still pursuing Lieutenant Brown in his evasive attempts to orbit, they continued around to the air space of Alletsried, to Stamsried, and as far east as Lowendorf, then northwest to Rötze and then southward to Friedersried. At this point, his aircraft disabled, Lieutenant Brown took a turn of 220 degrees and attempted a straight flight to save himself and proceed to base.

Lieutenant Brown, parachuting out, landed south southwest of the German town of Falkenstein and his aircraft, destroyed, crashed into the ground west northwest of Falkenstein at a settlement known as Hundessen. The MIG aircraft involved in the incident turned north and passed to the east over the German town of Michelsneukirchen.

Captain Smith, pursued by the other MIG aircraft, was kept separated from Lieutenant Brown, but succeeded in evading the shooting and, when the MIG aircraft disengaged at 10:08 a. m. Greenwich Mean Time, was enabled to proceed to his base in Germany.

Lieutenant Brown landed in a state of shock and received personal injuries, both of which required medical attention and hospitalization thereafter. His F-84 aircraft, completely destroyed, caused damage to the ground at and near the point of impact.

3. The United States Government has found as a result of its investigation, and it charges, as indicated above and as is made clear by the Czechoslovak Government's notes of March 28, 1953 and February 25, 1954, that all the acts of the pilots of the MIG aircraft involved in the unauthorized overflight into the United States zone of Germany, as described above, both those observed by Captain Smith and Lieutenant Brown and those which joined in the onslaught upon Lieutenant Brown, were at the specific direction, and at all times under the direct control, of the responsible authorities of the Czechoslovak Government, being vectored and directed by ground radio and ground radar operators who in so doing were carrying out the instructions and acting under the authority of the Czechoslovak Government. These directions were in deliberate and calculated disregard of the air traffic control regulations and of the authority of the United States Government in German territory.

4. The United States Government charges further that these acts and directions were without provocation or justification whatever; that they were maliciously intended with knowledge that they were wrongful under applicable international law and morals; and that they were in deliberate and calculated disregard of and for the purpose of flaunting the air traffic control regulations of the United States authorities along the Czechoslovak-German border and within Germany, and the sovereignty of the United States Government, and of the German Government, and that they were carried out in an effort to exert terror, threats and illegal force over the area of Germany near the Czechoslovak border, and thereby to make it possible to overfly the United States zone of Germany and other areas unlawfully, at will, for such purposes as espionage, aggrandizement and propaganda demonstrations of strength. The United States Government charges further that the Czechoslovak Government in its notes of March 11, 1953 and of March 28, 1953, in pursuance of the same unlawful and wrongful plan, made assertions of fact with respect to the incident which it knew to be demonstrably preposterous and flagrantly untruthful, as will appear more fully below.

II.

The United States Government has given the Czechoslovak Government full opportunity to prove the allegations with respect to the incident which are contained in the Czechoslovak Government's versions in its notes of March 11, 1953, and of March 28, 1953 but the Czechoslovak Government has failed to respond.

The United States Government is therefore compelled to state categorically that the following statements of fact, among others, in the Czechoslovak Government's notes are contrary to the truth, and were known at all times by the Czechoslovak Government to be contrary to the truth, and that they were nevertheless asserted for the motives and purposes set forth herein above.

A. With respect to the note of March 28, 1953:

1. The statement that two United States jet aircraft of the F-84 type entered the Czechoslovak territory on March 10, 1953.

The only border crossing made by aircraft was made, as the Czechoslovak Government has at all times well known, with respect to the incident of March 10, 1953 to which this note relates, by MIG-type aircraft crossing into Germany from the east, specifically from Czechoslovakia. These MIG-type aircraft crossed the Czechoslovak-German frontier at 10:00 a. m. Greenwich Mean Time near the town of Arnstein, as above indicated.

2. The statement that these F-84 aircraft met with Czechoslovak fighters on patrol at a distance of 18 kilometers south-southeast of Pilsen and 40 kilometers from a state frontier. It is assumed that the Czechoslovak Government apparently intended to state that the 18 kilometers distance was south-southwest of Pilsen.

The facts, however, are, as investigation referred to above has overwhelmingly disclosed, that the two F-84 aircraft in question met at 10:02 a. m. Greenwich Mean Time the two MIG aircraft from Czechoslovakia. The meeting took place in the area of the town of Kritzenast, which was approximately four and one-half miles inside the United States zone of Germany, and the Czechoslovak aircraft penetrated and remained in the United States zone of Germany, performing the acts and under the circumstances related above.

The United States Government attaches hereto a graphic presentation³ of its findings with respect to the routes flown by the MIG aircraft and the F-84 aircraft, showing the area of orbit and the points at which the MIG aircraft from Czechoslovakia directed fire against, and hit, Lieutenant Brown's F-84 aircraft. It must be inferred that the Czechoslovak Government's version of the situs of the incident is in complete variance from the facts.

In this regard the United States Government notes that in the reply of February 25, 1954 to the United States Government's note of July 29, 1953 the Czechoslovak Government has refused to give the nationalities of all the pilots of the MIG aircraft involved in the incident or the nationalities of all the MIG aircraft so involved or of the ground controllers and directors of their actions. The United States Government, therefore, takes this opportunity to state that while for the purposes of the present international claim against the Czechoslovak Government it takes note of the Czechoslovak Government's description of the intruding aircraft as Czechoslovak fighters, the identification by the Czechoslovak Government of the intruding aircraft as Czechoslovak aircraft does not relieve or absolve any other Government or authority to whom the original two aircraft, or the additional intruding aircraft involved in the same incident, belonged, and under whose control they were dispatched and directed, from separate liability to the United States Government for the damage inflicted.

3. The statement that the United States aircraft were called upon to land.

This statement is false, for no such communication was made to either of the two F-84 aircraft involved. Moreover, the statement is irrelevant since the MIG aircraft from Czechoslovakia flew over German territory when they encountered the F-84 patrol aircraft and had no legal authority to call upon the American aircraft to land at any place or at any time.

Furthermore, the United States Government notes that the Czechoslovak Government, in its reply of February 25, 1954 to the note of July 29, 1953, has refused to specify, although duly requested, the signals or the contents of the alleged communication from the Czechoslovak aircraft to the American aircraft, or the method by which the alleged communication was made, or the content of each alleged message. The United States Government has found, and charges, that in truth the pilots of the MIG aircraft involved, knowing that they were overflying the United States zone of Germany, and being so instructed to do, made no attempt whatever to signal the F-84 aircraft but, on the contrary, assumed immediately upon

convergence an unmistakably hostile aggressive attitude. The lead MIG aircraft flew in front of the lead F-84 aircraft from east to west, and the wing MIG aircraft assumed a shooting position behind the wing American aircraft. Even had the Czechoslovak authorities having control of the MIG aircraft, or the pilots of the MIG aircraft themselves, assumed, however erroneously, that the American aircraft were overflying Czechoslovak territory, the appropriate signals to land would require the Czechoslovak intercepting aircraft to point to and fly towards an appropriate Czechoslovak air base on Czechoslovak territory, and to take other warning measures prior to engaging in any firing of any kind.

4. The statement that the United States aircraft did not comply with the challenge of the Czechoslovak aircraft.

This statement is in view of the foregoing not only false but irrelevant, the F-84 patrolling aircraft being under no obligation to comply with any challenge or direction from Czechoslovak aircraft in the circumstances of this case.

5. The statement that "in the engagement which ensued one of the United States planes took flight to the west, the second plane was hit, caught fire and falling constantly disappeared to the south-west".

This statement is misleading where it is not completely false. The statement is misleading in implying that one or both of the two American aircraft engaged in firing. The fact is, as the Czechoslovak Government has at all times well known, that neither American aircraft involved opened fire at any time, and the so-called "engagement" was a vicious onslaught without warning upon peaceful patrolling American aircraft seeking to disengage themselves, although in self-defense they were entitled to use force to repel the hostile conduct of the MIG aircraft from Czechoslovakia.

The statement is further misleading and false in suggesting, in order to rebut the widely-known fact that Lieutenant Brown and his F-84 aircraft came down deep in the United States zone of Germany, that the aircraft was hit in Czechoslovakia and somehow managed to fly back to the United States zone of Germany without being noticed or followed by observers from Czechoslovakia. For the fact is, as the Czechoslovak Government has at all times well known, that the pursuing MIG aircraft not only intercepted and attacked the F-84 aircraft entirely within the United States zone of Germany, but the MIG aircraft did not desist pursuit and firing until after the attacking MIG pilot, and other intruding MIG pilots associated with him, had seen and had no doubt reported by voice radio to ground controllers within Czechoslovakia, that the F-84 aircraft had been destroyed and its pilot forced to parachute to safety over the United States zone of Germany.

B. With respect to the Czechoslovak Government's note of March 28, 1953:

The Czechoslovak Government's reiteration of the statements in the note of March 11, 1953 is accompanied by the statement that the facts asserted in the March 11 note are based on the logbook records of the ground radio operators, the goniometer records and the radar reports, as well as on the statements of the Czechoslovak pilots involved.

The United States Government in its note of July 29, 1953 requested the Czechoslovak Government to produce this corroborative evidence allegedly in the Czechoslovak Government's possession and described as the basis for its assertions, but the Czechoslovak Government has failed and refused to produce this evidence. The United States Government must therefore assert that such evidence does not exist and has never existed and the Czechoslovak Government's statements with respect thereto are wholly false.

III.

The United States Government is compelled to conclude, and it charges, that the foregoing actions of the Czechoslovak Government, and for which it is responsible, were

(Continued on p. 308)

³ Not printed.

RESIGNATION OF WALTER BEDELL SMITH AS UNDER SECRETARY OF STATE

On August 17 the White House announced that Walter Bedell Smith, Under Secretary of State, had submitted his resignation to President Eisenhower, with the request that it become effective about October 1. The President, after accepting General Smith's resignation "with the greatest reluctance and sincere regret," nominated Herbert Hoover, Jr., as his successor. The Senate on August 18 confirmed the nomination. Mr. Hoover will continue in his present position as consultant to Secretary Dulles until the effective date of General Smith's resignation.

Following are texts of letters exchanged by the President and General Smith, a statement by Secretary Dulles, and a letter from General Smith to Secretary Dulles.

CORRESPONDENCE WITH THE WHITE HOUSE

White House press release dated August 17

The President to Under Secretary Smith

DEAR BEEDLE: It is with the greatest reluctance and sincere regret that I bow to your wishes and accept your resignation as Under Secretary of State, effective October 1. I cannot, out of concern for the best interests of the United States, consider your suggestion that I fix an earlier date.

So long as I live, I shall never be able to think of our association together except with feelings of deep personal and official obligation. Your friendship and your advice, in peace and in war, have been a mainstay to me in trying and difficult times.

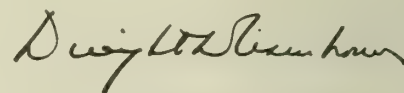
You may be sure that I shall take full advantage of your offer to do temporary work for the government from time to time. You have always given so completely of your self to your country that I know you will answer every call promptly and cheerfully and with your never-failing devotion and abilities.

Mrs. Eisenhower and I extend to you and Norrie our best wishes for a well-deserved furlough from government duty—but at the same time I warn you to remember that in

the Army a furlough has meant only a respite from active duty.

With warm regard,

As ever,



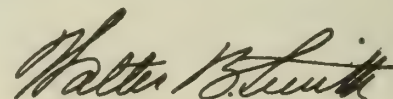
Under Secretary Smith to the President

DEAR MR. PRESIDENT: For purely personal reasons, which I explained to you several months ago, I feel that the time has come for me to terminate my active government service in order to enter private industry. Will you, therefore, please accept my resignation as Under Secretary of State, effective October 1st or at an earlier date if this should be convenient to you.

More than anyone else, you will understand how I regret leaving this service after so many years. They have been very satisfying years, and these last two under you and Foster Dulles have in many ways been the best of all.

The terms of my future employment make it possible for me to do temporary work for the government from time to time, and if I can continue to be useful to you in this way it will make me very happy.

Faithfully,





STATEMENT BY SECRETARY DULLES

Press release 455 dated August 17

It is a matter of deepest regret to me that the Under Secretary of State, Gen. Walter Bedell Smith, has felt that he can no longer defer retiring to private life. When General Smith became Under Secretary of State he had asked that he should be free to resign after a year. At the urgent request of the President and myself, he extended his period of service, which made possible his able and distinguished services as Head of the U.S. Delegation at the Geneva Conference.

General Smith has brought to his office a rare accumulation of distinguished services in many capacities in many lands. These exceptional abilities and experiences were put with extraordinary effectiveness at the service of the Department of State. He sacrificed much in so continuing to serve his country. It is a great understatement for me to say that our personal relationship has been for me a source of especial satisfaction. Happily, General Smith will continue to be available to serve from time to time, and for this,

the Nation, which already owes General Smith so much, can be grateful.

If, as General Smith had decided must be the case, a successor had to be found, I feel happy that that successor will be Herbert Hoover, Jr. He has acted as my adviser during recent months and has with notable distinction dealt with the Iranian oil dispute. Largely due to his guiding influence, this matter which has for many years troubled the entire Middle East has been brought to a successful conclusion. I look forward to having with Mr. Hoover the same type of close personal association and availability of sound counsel which I have for the past 19 months enjoyed with General Smith.

UNDER SECRETARY SMITH TO THE SECRETARY

DEAR FOSTER: It is with very great reluctance that I ask you to transmit the attached letter of resignation to the President. I know you are quite right in saying that I will not be as happy elsewhere as I am here, and certainly business of any kind will be an anticlimax. However, I am more over-extended physically and financially than I had realized, and I cannot afford to give up the employment contract which I have been offered—particularly as it keeps me in Washington for the greater part of the time and allows me to give occasional service to the government on special missions, boards, etc.

I have been very fortunate in my relationships with the chiefs under whom I have served but I want you to know that I personally feel that I have never been more so than during the last two years with you. You have been more than considerate, and I have felt that I had your complete support and confidence. I also want you to know, as a simple statement of fact, that my admiration for your great qualities of mind and character has continued to grow during these two years. I sincerely regret the termination of our official relationship. The personal relationship, which I value even more, remains a source of gratification to me.

Faithfully,

Walter B. Smith

(Continued from p. 305)

deliberately and unlawfully committed with the ulterior malicious intent to cause grievous injury to the United States Government and to the American people, as well as to Lieutenant Warren G. Brown and Captain Donald C. Smith, and to execute a purpose of unlawful aggrandizement within the air space over the United States zone of Germany by terror and other unlawful and wrongful methods.

The United States Government further asserts the following:

1. Captain Donald C. Smith, element leader of the F-84 patrolling fighter aircraft as above described, was a competent and efficient pilot, qualified to act as element leader in border patrol activity within Germany in which he engaged as above described, and was then and at all times involved in this matter an American national.

2. Lieutenant Warren G. Brown, wing pilot of the F-84 patrolling fighter aircraft as above described, was a competent and efficient pilot, qualified to act as wing pilot in border patrol activity within Germany in which he engaged as above described, and was then and at all times involved in this matter an American national.

3. The ground controllers involved in the vectoring and control, and in the radar observation, of and voice radio communication with Captain Smith and Lieutenant Brown, were members of the United States Air Force, fully competent and qualified to perform the duties assigned to them and these duties were performed by them with efficiency and accuracy.

4. The radar equipment used by the radar personnel and ground controllers in the observation of the aircraft referred to as coming from Czechoslovakia in overflying the United States zone of Germany and in following and controlling American patrolling aircraft as above described were all adequate in their coverage and accurate in all respects and in good working condition.

5. The patrolling F-84 aircraft piloted by Captain Smith and Lieutenant Brown were at the time of the incident above mentioned F-84E-type, owned and controlled by the United States Government without any defect affecting their flying efficiency or normal operation and in good working order for the purpose of patrol within the United States zone of Germany.

IV.

The United States Government charges that the Czechoslovak Government has by committing the foregoing actions in the circumstances set forth above violated international law. Specifically, and without limiting itself by enumeration, the United States Government charges that in the circumstances set forth above the Czechoslovak Government is guilty of the willful and intentional violation of its international obligations and of the willful and intentional commission of internationally unlawful actions as follows:

1. On March 10, 1953, as at all other times, it was unlawful for military aircraft of Czechoslovakia, and for the aircraft involved in the present incident, to fly into the air space of the United States zone of Germany unless the Czechoslovak Government had obtained prior authorization for such overflight from the United States Government. Furthermore, it was the duty of the Czechoslovak Government to identify to the air traffic control authorities within the United States zone of Germany all aircraft from within Czechoslovakia which intended to overfly the United States zone of Germany in any respect and for any distance and to file flight plans in accordance with applicable air traffic control regulations. The failure of the Czechoslovak Government to comply with the applicable regulations to which reference has been made, and the unauthorized overflight by the military aircraft involved, constitute violations of international obligations, specifically recognized in Articles 1 and 3, Chapter 1, Part 1 of the Convention on International Civil Aviation, adopted December 7, 1944 at Chicago, Illinois, adhered to

by numerous governments including the United States Government and the Czechoslovak Government.

2. Having unlawfully entered the United States zone of Germany, and having been intercepted within the air space of the United States zone of Germany by the policing aircraft, it was the duty of the pilots of the MIG aircraft from Czechoslovakia to submit peacefully to identification by the policing aircraft and to obey orders which the pilots of the policing aircraft might convey. It was further the duty of the Czechoslovak authorities controlling the actions of the pilots of the intruding MIG aircraft to instruct these pilots to permit identification and obey such orders. The failure of the pilots of the MIG aircraft from Czechoslovakia and of the Czechoslovak ground authorities controlling their actions to perform these duties constitute violations of international obligations; and their attempts to take aggressive action seeking to destroy the patrolling United States aircraft and to kill the United States pilots involved constitute heinous violations of international law.

3. Even if, as is not the fact, the ground authorities in Czechoslovakia or the pilots of the MIG aircraft from Czechoslovakia had erroneously believed that they had intercepted the United States F-84 aircraft within Czechoslovakia, it was the duty of the intercepting aircraft and the duty of the ground controllers to make intelligible signals to the overflying American aircraft, such as by flying across the path of the American aircraft in an easterly direction toward a suitable airfield and directing the aircraft to land at that airfield, or to take similar action, to acquaint the overflying aircraft with the fact that they were overflying Czechoslovak territory without prior authorization and should turn and proceed back to the United States zone of Germany. The failure to do so in this case therefore constitutes an aggravation of the liability of the Czechoslovak Government as well as further evidence that neither the Czechoslovak ground authorities nor the MIG pilots in the air were under any illusion as to the sovereignty of the air space in which the interception, the pursuit, the firing and the destruction of the American aircraft were then effected, nor as to the situs of any stage of this unlawful conduct.

4. Having become fully aware of the true facts of the incident prior to its notes of March 11 and of March 28, 1953 and its note of February 25, 1954, even assuming which is not the fact that the responsible Czechoslovak Government authorities were not already fully aware of the true facts, the Czechoslovak Government violated its international legal obligations in knowingly stating to the United States Government and to the international public a false version of the true facts and emitting false propaganda concerning them.

The United States Government believes that it has on account of the violations by the Czechoslovak Government of the foregoing legal duties, and hereby asserts and prefers, against the Czechoslovak Government a valid international claim for damages as specified below.

V.

In consequence of the foregoing illegal acts and violations of duty for all of which the Czechoslovak Government is responsible, the United States Government has suffered the following items of damages and the United States Government demands that the Czechoslovak Government pay to it on account thereof the following sums:

1. The value of the United States Air Force airplane F-84E-type Number 49-2192A and its equipment, piloted by Lieutenant Warren G. Brown in the circumstances and in the times above described, \$235,349.41.

2. Damages to Lieutenant Warren G. Brown, an American national, in consequence of the unlawful actions of the Czechoslovak Government above described, \$10,000.

3. Damages to Captain Donald C. Smith, an American national, in consequence of the unlawful actions of the Czechoslovak Government above described, \$1,000.

4. Damages to the United States Government for the

willful and unlawful conduct of the Czechoslovak Government, \$25,034.75.

Total, \$271,384.16.

VI.

The Government of the United States calls upon the Government of Czechoslovakia promptly to make its detailed answer to the allegations and the demands made in this communication. Should the Czechoslovak Government in its answer acknowledge its indebtedness to the United States Government on account of the foregoing and agree to pay the damages suffered, the United States Government is prepared, if requested, to present further proof in support of its calculations of damage suffered and alleged.

In the event that the Czechoslovak Government contests its liability, it is requested so to state in its answer. In the latter event, the Czechoslovak Government is hereby notified that the United States Government considers that an international dispute exists between the United States Government and the Czechoslovak Government and proposes that the dispute be presented for hearing and decision in the International Court of Justice. Since it appears that the Czechoslovak Government has thus far not filed with that Court any declaration of acceptance of the compulsory jurisdiction of that Court, the United States Government invites the Czechoslovak Government to file an appropriate declaration with that Court or to enter into a Special Agreement by which the Court may, in accordance with its Statute and Rules, proceed to a determination of the issues of fact and law which have been set forth herein; and the Czechoslovak Government is requested to inform the United States Government in the reply to the present note of its intentions with respect to such a declaration or Special Agreement.

Accept, Excellency, the renewed assurances of my high consideration.

Czechoslovak Acceptance of Flood Aid Offer

Following is the text of a note dated August 16 sent to the American Embassy at Prague by the Czechoslovak Minister of Foreign Affairs.

The Ministry of Foreign Affairs presents its compliments to the Embassy of the United States and has the honor to acknowledge receipt of its note No. 61 of July 30, 1954, concerning the declaration of the President of the United States of America of July 29, 1954.¹

The Government of the Czechoslovak Republic appreciates the concern expressed by the American people [regarding] the recent floods in Czechoslovakia and the offer of assistance to the population of the affected areas and is willing to enter into the necessary discussions concerning the method of its implementation.

Procedures for Exports to Austria

Effective September 20, 1954, Austria will be included among the countries participating in the Import Certificate-Delivery Verification (IC/DV)

¹ BULLETIN of Aug. 9, 1954, p. 197.

procedure, the Bureau of Foreign Commerce, U.S. Department of Commerce, announced on August 6.

The purpose of the IC/DV procedure, in operation since October 1952, is to assist in preventing the transshipment of strategic goods. The procedure applies to goods identified by the letter "A" on the Positive List of Commodities.

After the cooperative IC/DV procedure goes into effect with Austria, U.S. exporters will be required to submit import certificates to the Bureau of Foreign Commerce with their applications for licenses to export strategic goods to Austria. The import certificate, issued by the Austrian Government, is to be obtained by the U.S. exporter from the Austrian importer.

U.S. license applicants will continue to be required to show on their application form the import identification number appearing on the Austrian Government's import authorization.

As a part of the IC/DV procedure, the Bureau of Foreign Commerce may request U.S. exporters to obtain from their Austrian importers verification, certified by the Austrian Government, that the licensed goods have been delivered in Austria.

Austria will be the thirteenth country with which the United States cooperates in carrying out the IC/DV procedure. The other countries are Canada, Belgium, Denmark, France, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom, Western Germany, and Japan.

U.S. Accepts Austrian Proposal for Five-Power Committee

Following is the text of an announcement released to the press by the American Embassy in Vienna on August 7.

In a note dated August 7, the American Embassy in Vienna delivered the reply of the United States Government to the Austrian note of July 22 proposing the establishment of a five-power committee in Vienna to consider possible alleviations of the present Austrian situation.¹ The committee would consist of the Ambassadors of the the Four Occupying Powers in Vienna and a representative of the Austrian Government.

The Austrian reply points out that the United States Government has had and continues to have as its constant aim the restoration of full independence and sovereignty to Austria. With a view, however, to reducing the burdens resting on the Austrian Government and people prior to their achievement of full independence, the United States Government accepts the Austrian proposal. At the same time the United States note states that the establishment of such a committee in Vienna

¹ Notes not printed.

would not affect the validity of existing Four-Power agreements relating to Austria and that, while the United States Government continues to seek the conclusion of a state treaty, negotiation of such a treaty would not properly be within the competence of this committee. The United States note suggests a preliminary meeting of the committee be held soon to work out its terms of reference and procedures and to consider possible measures for reducing the burdens and limitations of the occupation in Austria.

Notice of Hearings on Review of General Trade Agreement

Press release 467 dated August 21

The Department of State gives notice that public hearings will be held in Washington, D. C., from September 13 through September 17, 1954, concerning possible changes in the general provisions of the General Agreement on Tariffs and Trade. The hearings will be conducted under the direction of the Chairman of the U.S. delegation for the review and renegotiation of the General Agreement which will take place in Geneva beginning November 8, 1954. Briefs from any interested person will be received by the Chairman. These hearings will relate to the general provisions of the General Agreement and not to individual commodities or tariff rates.

The review of the General Agreement on Tariffs and Trade has been directed by the President in accordance with his Message to Congress on March 30, 1954,¹ in which he stated that the United States will "suggest to other Contracting Parties revisions of the substantive provisions of the Agreement to provide a simpler, stronger instrument contributing more effectively to the development of a workable system of world trade."

Persons may offer views and suggestions as to the handling of any problems now covered by the agreement or any related problem not presently covered. Major matters which it is already known are likely to be discussed at the review in Geneva are listed below. The review at Geneva of these and whatever other subjects may be raised will include an examination of whether the provisions of the present agreement on these topics have worked satisfactorily and may include proposals for modification of any of these articles or for the addition of new articles on these subjects to the agreement.

1. Organizational provisions of GATT.
2. Special treatment for underdeveloped countries.
3. Agricultural quotas and export subsidies (covered in present agreement primarily by GATT articles XI and XVI).

¹ BULLETIN of Apr. 19, 1954, p. 602.

4. Import restrictions for balance-of-payments reasons (covered in present agreement primarily by GATT articles XII through XV).

5. Provisions relating to duration of tariff concessions (article XXVIII).

All applications for oral presentation of views concerning the forthcoming review shall be submitted to the Chairman of the U.S. delegation not later than September 3, 1954. All information and views in writing shall be submitted to him not later than September 13, 1954. Applications for oral presentation should indicate the subject or subjects on which the individual or group desires to be heard.

Such communications should be addressed to:

The Chairman, United States Delegation to the Ninth Session of the GATT, United States Department of State, Washington 25, D. C.

Five copies of written statements, either typed, printed, or duplicated, shall be submitted.

Public hearings will be held at which oral statements will be heard. The first hearing will be at 10 a. m. on September 13, 1954, in the Department of State International Conference Suite, 11th floor, 1778 Pennsylvania Ave., NW., Washington, D. C.

Witnesses who make application to be heard will be advised regarding the time and place of their individual appearances. Appearances at hearings may be made only by or on behalf of those persons who have, within the time prescribed, made written application for oral presentation of views.

Copies of the General Agreement on Tariffs and Trade and related protocols and schedules may be inspected at the field offices of the Department of Commerce or be purchased from the Columbia University Press, International Documents Service, 2960 Broadway, New York, N. Y.

Netherlands Makes Prepayment on World Bank Loan

The International Bank for Reconstruction and Development announced on August 11 that the Government of the Netherlands has prepaid \$52,215,000 and 12,498,000 Belgian francs on a 25-year loan it received from the bank on August 7, 1947. The prepayment will cover the longest maturities on the loan, those falling due in the years 1970, 1971, and 1972. Originally the loan amounted to \$195,000,000 of which \$190,362,000 was outstanding at the time of the prepayment. It will be reduced to \$137,861,000 as a result of the transaction announced today.

On announcing the prepayment, Eugene R. Black, president of the International Bank, said that "in view of this large prepayment and of the recent substantial increase in sales to investors

from the bank's loan portfolio, without its guarantee, the bank has changed its plans about financing this autumn and does not now expect to sell any new issue in the United States during the remainder of 1954."

Over the years the bank sold various maturities of the Netherlands loan, aggregating the equivalent of \$13,335,788, to investors both in the United States and abroad. The equivalent of \$4,633,000 of these obligations was repaid previously by the Netherlands and \$8,703,000 is still outstanding and in the hands of investors. These investors were given the option to have their holdings prepaid by the Netherlands. None of them, however, elected to accept the offer of prepayment.

In addition to the \$195,000,000 loan to the Government, the bank has lent \$34,000,000 to other borrowers in the Netherlands for the purchase of ships, aircraft, and industrial machinery. The record of these loans shows that all payments of interest and principal have been made on or before the due dates by the Government and other borrowers. Of the total of \$229,000,000 lent in the Netherlands, the equivalent of \$72,664,000 has been repaid, and \$7,548,000 has been canceled at the

request of a borrower. The total amount now outstanding on loans in the Netherlands is \$148,788,000.

In commenting on the prepayment, Mr. Black stated:

The \$195,000,000 loan to the Netherlands was made at a critical point in the Netherlands reconstruction effort. After undergoing particularly severe wartime devastation, and having suffered the loss of much of her overseas territories and assets, the Netherlands was obliged to seek large amounts of external assistance to rehabilitate and develop her agriculture, industry, and merchant marine. The bank's loan enabled the Netherlands to purchase abroad ships, machinery, and materials vital to the restoration of her productive capacity and her export potential.

The Netherlands' recovery since the time of the loan has been impressive. Industrial production has risen by almost 80 percent from 1947 to the first 5 months of 1954. Exports have increased almost fivefold. Gold and foreign exchange holdings of the Netherlands Bank rose from the equivalent of about \$350,000,000 at the end of 1947 to about \$1,220,000,000 on June 30, 1954. The Netherlands is now resuming its prewar role as a capital exporting country. The decision to repay in advance of maturity a large part of its indebtedness to the International Bank, and the recent successful flotations of a fl. 40,000,000 issue by the bank and of a fl. 100,000,000 issue by Belgium on the Netherlands capital market are important evidence of this regained position.

Reducing the Menace of Oil Pollution

INTERNATIONAL CONFERENCE ON POLLUTION OF THE SEAS AND COASTS BY OIL, LONDON, APRIL 26-MAY 12, 1954

by Rear Admiral H. C. Shephard, U. S. Coast Guard, and John W. Mann¹

The pollution of the seas and coasts by oil has been a grave problem in many countries for a number of years. As the use of petroleum products increases, the threat to the recreational facilities and wild fowl of the coastal regions of the countries through pollution by oil becomes more serious. The United States, in widening its use of petroleum products early in the present century, was perhaps the first country to feel the full impact of oil pollution. Legislation prohibiting the release of oil into our territorial waters was enacted in 1924. However, oily wastes discharged by ships at considerable distances at sea may drift ashore and foul beaches and harbors. The power to control the behavior of a ship and its personnel

on the high seas lies with the nation whose flag it flies. The problem thus cannot be solved satisfactorily without the cooperation of maritime countries.

An international conference was convened at Washington in 1926 to study the subject and to draft a convention designed to abate this nuisance. The representatives of the United States believed at that time that the logical solution of the problem would be a convention signed by the maritime powers of the world providing that ultimately the discharge of oil at sea at any time or place must be prohibited. This position did not receive the support of a majority of the other nations represented at the Washington Conference.

As a result of the failure of the 1926 conference to provide the solution believed by the United States to be the best approach at that time, an

¹ For an article by Mr. Mann on "The Problem of Sea Water Pollution," see BULLETIN of Dec. 7, 1953, p. 775.

educational program was established on a national basis. This method has brought about substantial abatement of oil pollution within the territorial waters of the United States, even though the use of petroleum products in this country has increased threefold since 1926. The strict enforcement of the Oil Pollution Act of 1924 within the jurisdictional waters of the United States also encouraged good housekeeping practices.

During the last few years the United Kingdom and other northern European countries have greatly increased their importation of crude petroleum. This increase—300 percent in 3 years—has been accompanied by a rise in oil pollution of the coastal regions of those countries. The United Nations took up the matter of oil pollution, and concurrently the United Kingdom set up a working group under the chairmanship of Percy Faulkner, an Under Secretary of the Ministry of Transport and Civil Aviation, to study the problem and to suggest its solution. The report of this working group, published in 1953 and informally called the "Faulkner Report," contained recommendations which were believed, from the British point of view, to be an adequate answer. In common with the studies which preceded the Washington Conference, and with the conclusions reached in the late 1930's by the League of Nations, the recommendations of the Faulkner Report pointed to the need for the cooperation of substantially all maritime countries.

The United Kingdom early in 1954 invited the maritime powers to a conference in London to discuss the oil pollution problem and to endeavor to provide a generally acceptable solution. The United Nations had previously agreed to hold in abeyance its consideration of the matter pending the outcome of the London Conference.

The United Kingdom did not submit a draft convention to the nations invited to the Conference, the intention being that the Faulkner Report would sufficiently inform those invited as to the matters which would be advanced for consideration. Since the invitation to attend the Conference, to be convened on April 26, 1954, was not received by the United States until January 4, 1954, and since it is difficult to arrive at firm decisions concerning the proposals of others without the guidance of a specific draft, it was believed that sufficient time was not available for the United States to establish a position.

However, a Technical Working Group composed of representatives of interested U.S. Government departments and of the shipping industry was established in Washington in February 1954 to make such examination of the technical aspects of the problem as time permitted in order to develop recommendations to the Department of State which could serve as the basis for instructions to the United States delegation to the Conference. The Technical Working Group, after studying the Faulkner Report and drawing upon the ex-

perience of the various participating agencies, concluded that several of the recommendations, such as the mandatory requirement for installation under certain circumstances of mechanical oily-water separators on dry-cargo ships, the absolute prohibition of the discharge of oily wastes and ballast at any place at any time on the high seas, and the establishment of greatly increased number and capacity of port facilities for reception of oily wastes and ballast which presumably would be necessitated by such total prohibition, were not realistic.

Review of U.S. Experience

A detailed review of the oil pollution situation with supporting statistics, prepared for the information of the Technical Working Group, showed that the increase in the use and transportation of petroleum products in the United States had been accompanied by an actual decrease in the degree of oil pollution and pointed out that during this period of approximately 30 years educational standards had been established and good housekeeping practices had been enforced.

Since the United States, the major user of petroleum products, had studied the problem and developed methods for its correction over a period of years, the Technical Working Group felt that the measures employed in this country should be explained to the Conference in London as pointing to a practicable solution without those features contained in the Faulkner Report with which the Group could not agree.

The Department of State's instructions to the United States delegation relating to antipollution measures followed the recommendations of the Technical Working Group. The United States delegation, composed of six members, was able to maintain this position throughout the Conference and during its course gained the support of other delegations, some of whose countries had not been faced with the problem of oil pollution until recent years.

At the first plenary session of the Conference the Soviet delegation proposed that the so-called People's Republic of China be invited to send representatives. This proposal was set aside by the Conference at a subsequent plenary session at the instance of the U. S. delegation, which had presented a procedural motion to the effect that the Soviet proposal should not be considered because it did not come within the scope of the Conference.

It soon became apparent that, although there was no difference of opinion concerning the principal objective, there existed wide divergence of views concerning some of the recommendations of the Faulkner Report and the means by which a satisfactory solution to the problem might be achieved. One of the most controversial items related to the recommendation that the installation of separators on dry-cargo vessels under some

circumstances should be a mandatory requirement. It was the United States position that, although separators might serve some useful purposes under certain conditions, at the present stage of development none of the known oil separation devices could be unreservedly commended for use on dry-cargo vessels. The convention written at the Conference requires vessels to be so fitted as to prevent the escape of fuel oil or heavy diesel oil into bilges, the contents of which are discharged into the sea without being passed through an oily-water separator. The convention provides for the establishment of zones wherein the discharge of oil into the seas would be prohibited. This provision is far more consistent with the system long in force off the coasts of the United States, wherein a zone is recognized by a "gentlemen's agreement," than the absolute prohibition of discharge anywhere and everywhere as recommended in the Faulkner Report.

The Final Act of the Conference presented a number of resolutions relating to objectives concerning which there appears to be no serious disagreement.² They relate to such matters as encouraging the development of efficient oily-water separators, encouraging the provision of adequate reception facilities for oily wastes and ballast at repair ports and terminals where needed, preparation of manuals, creation of national committees, and provisions for international exchange of information.

Statement by U.S. Delegate

Shortly before the end of the Conference, the chairman of the U.S. delegation made a final statement as follows:

"The time appears to have arrived when the delegates may look upon the accomplishments of the Conference, and may I summarize the views of the United States Delegation.

"Early this year my Government received an invitation from Her Majesty's Government to attend this Conference. We considered, in view of the early date mentioned, whether we should take more time to conclude studies already under way or contemplated and to try to secure the views of representative interested groups, or whether to accept the invitation for the date specified and prepare ourselves as best we could in the interim. In my country distances, as you know, are great, and it is the custom of our industrial groups to meet in conventions for representative actions once a year. These national meetings in the case of our transport, shipping, and petroleum associations usually take place in October or November. In order that we may bring to bear full weight of Government and industry experience in matters

of national import, it is most desirable for effective action that our problems be discussed to a conclusion at these annual meetings when all sections of our country are fully represented. Time has not permitted processing this most important problem by our normal procedures, so that much more remains for us to do when we return home. After careful consideration of our situation my Government concluded that in view of the urgency expressed in the invitation of Her Majesty's Government we should accept promptly and contribute all that we could to assist the conference under the circumstances.

"We believe our decision to accept the invitation of Her Majesty's Government promptly was the correct decision, for in this conference of delegates representing many nations we have found another confirmation of the great value of personal association in matters of mutual concern. Here we have heard from the delegates firsthand the extent of pollution in their countries. Here we have heard of research and of experiments and of suggested ways and means for controlling and reducing pollution, and here, by picture and by eloquent appeal, we all have heard the story of the effects of oil pollution on beaches and birds.

"Mr. President, the delegates to this Conference may differ as to procedure but they are unanimous on a common objective: The pollution of the seas must be cleared up promptly.

"It is true that some of us have felt that we should rely entirely on a convention between the maritime powers to clear up this pollution of the seas, and there are others who have felt that we should start immediately and apply ourselves continuously to the problem through the United Nations, which would pool all technical information and keep Governments continually informed of areas in which pollution is critical so that appropriate and immediate steps may be taken for correction.

"It is the view of the United States delegation that this Conference on the Pollution of the Seas by Oil has been successful because it has reached conclusions which are representative of both schools of thought which have been so ably presented here by their respective advocates.

"The time approaches when the various Delegations will be taking leave of each other and returning to their respective countries. My Delegation will return to my Country dedicated to two tasks, the serious study and consideration of the convention which has been produced by this conference, and the re-doubling of our efforts, especially by research and educational procedures, looking to the successful control of pollution of the seas by oil. Through the United Nations, the United States will make available to all Governments the results of the work we have done on oil pollution control. We express to all Delegations here our deep and sincere thanks for the valuable information and experience which they have so generously

² The texts of the Final Act and of the draft convention have been published by the British Government (*Cmd.* 1197).

made available to us. Now, Mr. President, I am gratified to report to the Conference that the tender of cooperation made by the shipowners of the United States, which I read to the General Committee at an earlier date, was placed into effect on 30 April 1954 for all United States ships proceeding to the United Kingdom and Northern Europe [see Annex]. In support of the same objective the United States Navy Hydrographic Office and the United States Coast Guard have issued an official notice.

"Mr. President, we wish to express our thanks to Her Majesty's Government for their vision in calling this Conference, their efficiency in conducting it, and the many gracious acts and thoughtful considerations during its sessions."

This statement pointed out the serious study which the U. S. Government and industry have given to the problem of oil pollution and indicates that the study is of a continuing nature.

The Conference constituted an excellent opportunity to hear the views of the maritime nations concerned with this problem, including the means proposed by those nations to develop a satisfactory solution. Not only were the regular sessions and the subcommittee meetings informative, but useful ideas were also exchanged through discussions on a more informal basis.

Among the U.S. proposals that were adopted by the Conference and later confirmed was the establishment of international machinery for the collection, analysis, and dissemination of information and technical data about oil pollution and for keeping the problem under review through the appropriate organ of the United Nations. The United Kingdom accepted the obligation to perform the duties of Bureau Power or Central Secretariat until such time as the Intergovernmental Maritime Consultative Organization (Imco) comes into effect.

No solution which was discussed appears at this time to be more realistic than the educational program and other measures adopted by the United States. However, the campaign to discourage oil pollution requires continuing effort, and even though the United States did not sign the convention written by the Conference, that document will receive serious study by government and industry. The fact that an international conference was held on this subject will give impetus to American ingenuity to develop and suggest an international program to reduce the menace of oil pollution prior to the next international meeting in prospect within the next 3 years. In view of the strong position taken by the United States in advocating cooperation, educational programs, study and research, and dissemination of information, it behooves all affected interests in the United States to support these methods and to take all appropriate measures to insure their success. Failure of the U.S. proposals no doubt would eventually

bring about unrealistic international regulations and enforcement measures or unilateral action by countries suffering from oil pollution to impose national requirements on all ships visiting their ports.

ANNEX

American Merchant Marine Institute, Inc.
11 Broadway—New York 4, N. Y.

SPECIAL BULLETIN

To: U.S. STEAMSHIP COMPANIES

PREVENTION OF OIL POLLUTION

The undersigned organizations call attention to the fact that oil pollution conditions on the shores of Great Britain and the adjacent coasts of Northern Europe are reported to be serious. An Intergovernmental Conference among some 40 maritime nations is now being held in London for the purpose of exploring ways and means of controlling such pollution.

Our organizations are entirely sympathetic to the problem that presently exists in this critical area and are extending our fullest cooperation to the authorities concerned. We strongly urge that all companies immediately emphasize to their shipmasters, and all shipboard personnel the acute necessity of observing all precautionary measures set forth in the Oil Pollution Manual, as supplemented by the many specific instructions heretofore issued by individual shipowners. In so doing, specific reference should be made to the conditions now prevailing in U.K. and adjacent areas and the need for special attention to all preventative measures.

Thereafter, we further recommend that all U.S. ships proceeding to the areas in question be reminded of the aforementioned instructions in each voyage order, cable or letter.

We will continue to keep you apprised of world-wide pollution conditions requiring special attention, and your continued cooperation is urgently solicited.

AMERICAN MERCHANT MARINE INSTITUTE, INC.

Association of American Shipowners
Pacific American Tankship Association
Pacific American Steamship Association
American Tramp Shipowners Association

• *Admiral Shepheard and Mr. Mann, coauthors of the above article, were chairman and vice chairman, respectively, of the U.S. delegation to the International Conference on Pollution of the Seas and Coasts by Oil. Mr. Mann is Acting Shipping Adviser, Office of Transport and Communications Policy, Department of State.*

U.S. Delegations to International Conferences

International Mathematical Union and International Congress of Mathematicians

The Department of State announced on August 17 (press release 450) that the United States would be represented at both the Second General Assembly of the International Mathematical

Department of State Bulletin

Union at The Hague, Netherlands, August 31-September 1, and the Tenth International Congress of Mathematicians at Amsterdam, September 2-9, by the following delegates:

Marshall Harvey Stone, *Chairman*, Professor of Mathematics, University of Chicago, Chicago, Ill.

Abraham Adrian Albert, Professor of Mathematics, University of Chicago, Chicago, Ill.

Carl Einar Hille, Professor of Mathematics, Yale University, New Haven, Conn.

Saunders MacLane, Professor of Mathematics, University of Chicago, Chicago, Ill.

Edward James McShane, Professor of Mathematics, University of Virginia, Charlottesville, Va.

The International Mathematical Union, a semi-governmental organization, was formally established on September 10, 1951. The First General Assembly of the Union was held at Rome in March 1952. The Union aims to promote international cooperation in mathematics, to support and assist the International Congress of Mathematicians and other international scientific meetings or conferences, and to encourage and support other international mathematical activities considered likely to contribute to the development of mathematical science in any of its aspects—pure, applied, or educational.

The United States adheres to the International Mathematical Union through the National Academy of Sciences—National Research Council. Present membership in the Union includes national adhering organizations in 27 countries.

At the Second General Assembly, the International Mathematical Union will consider administrative, organizational, and policy matters, including (1) proposals regarding symposia; (2) discussion of relations with the International Council of Scientific Unions (Icsu) and other unions; and (3) adoption of the budget for 1955-58. A further topic for discussion involves consideration of a proposal for the production of a film about the universal role of mathematics and mathematicians at the present time.

Cinematographic Art Exhibition

The Department of State announced on August 19 (press release 459) that Andrew W. Smith, Jr., of the U.S. Information Agency had been named U.S. representative to the XV International Exhibition of Cinematographic Art, which convened at Venice, Italy, on July 6. In addition to Mr. Smith, the following have been designated to

represent the United States for that portion of the exhibition scheduled to convene on August 22:

Corepresentative

John Crain Kunkel, 111 Blackbury Street, Harrisburg, Pa.

Alternate representatives

Frank Dennis, Public Affairs Officer, United States Information Agency, Rome, Italy

Joseph D. Ravotto, Films Officer, United States Information Agency Hicog, Bonn, Germany

Staff Assistant

Elica Calderara, Assistant to Films Officer, United States Information Agency, Rome, Italy

This series of annual exhibitions, held under the auspices of the Biennale of Venice and sponsored by the Italian Government, is designed to give public acknowledgment to those films which testify to a genuine effort toward progress in cinematography as a means of artistic expression and of spreading knowledge, culture, and civilization throughout the world. The U.S. Government and the private motion picture industry have participated in many of these exhibitions. The XV International Exhibition includes the VI Festival of Films for Children and the V International Exhibition of Documentary and Short-Subject Films.

Edinburgh Film Festival

The Department of State announced on August 19 (press release 461) that the U.S. Government will be represented at the Eighth Edinburgh Film Festival at Edinburgh, Scotland, from August 22 to September 12 by the following delegation:

United States delegate

Willard Webb, *Chairman*, Library of Congress, Washington, D. C.

Special representative

Maurice Rosenfeld, 870 Fifth Avenue, New York 21, N. Y.

Adviser

Robert Lawrence, United States Information Agency, Edinburgh, Scotland

Opportunity is being taken to mark the 25th anniversary of documentary films and 10 years achievement in the production of films for children. There will also be a 1-day conference on "Films in Religion." The Film Festival is being held as part of the International Festival of Music and Drama.

U.S. Objectives in the Near East

Following is an exchange of correspondence between the Department of State and Representative Emanuel Celler of New York.

REPRESENTATIVE CELLER TO SECRETARY DULLES¹

AUGUST 4, 1954.

HON. JOHN FOSTER DULLES,
*Secretary of State, Department of State,
Washington, D. C.*

MY DEAR MR. SECRETARY: Now that Britain has agreed to evacuate the Suez Canal Zone in view of the tensions between Israel and Egypt, it is pertinent to ask your answers to the following questions:

1. Did Egypt express any intention in the Suez Canal settlement to improve her relations with Israel?

2. The State Department has ordered the expediting of plans to provide Egypt with free American munitions not unlike the grant of arms given to Iraq. Soon after our Ambassador Jefferson Caffery recently called upon the Egyptian Foreign Minister Lieutenant Colonel Nasser and offered, it is reported, on behalf of the United States such military (and as well economic) aid, said Foreign Minister thereupon announced the decision of Egypt to build a powerful national army. Will the United States award a similar grant of arms to Israel, so that the balance of military power in the Middle East will not be disturbed to Israel's disadvantage?

3. Israel's application for military aid from United States has been pending since 1952. Should not such application be now granted? It has been stated that Israel's application would be granted "eventually." "Eventually," but why not now? This is the historic moment to grant equality of arms treatment to Israel, Iraq, and Egypt.

4. Would not the removal of British restraint

in the Canal Zone and the granting of new military strength to Egypt without corresponding aid to Israel and without the Arab State being obligated to regularize her relations with Israel, be interpreted by the rulers of Egypt as a spur to new aggression? I emphasize the truculence of the Egyptian leaders toward Israel. Lieutenant Colonel Nasser, Egypt's Prime Minister, in a recent speech indicated clearly that he regarded Israel as Egypt's chief enemy. Certainly arms would not be used by Egypt against any Russian threat. Egypt recognizes none. Would they not be used against what Lieutenant Colonel Nasser calls Egypt's chief enemy—Israel?

5. Did the United States seek to have Egypt abandon the blockade of cargoes moving through the canal to and from Israel? Such blockade is in violation of the Treaty of 1888 originally signed by Egypt, when the canal was built. The blockade also has been condemned by the U.N. Security Council resolution dated September 1, 1951. The United States might well demand compliance with the council's resolution of condemnation.

6. Is it proper for United States to arm Egypt as long as she continues such illegal blockade?

7. Has the United States taken cognizance of the statement of the Egyptian Minister of National Guidance, Major Salem, that as soon as British troops are removed from Egypt the Egyptian army would be in a position to attack Israel? In the light of such and additional inflammatory threats of other Egyptian officials, will the United States as a signatory with France and Britain of the so-called Tripartite Agreement of May 25, 1950,² reaffirm its intention that any act of aggression of any of the countries of the Middle East, including Egypt, would be resisted? France and Great Britain have publicly stated they are considering reaffirmation of their obligations under the treaty. Also, it is well to note that Britain's Foreign Secretary, Mr. Anthony Eden, in the House of Commons a few days ago, took note of the fact that the tripartite declaration stressed the fact that no arms should be supplied to any of the Arab states without firm assurance

¹ Reprinted from *Cong. Rec.* of Aug. 5, 1954, p. A5811.

² BULLETIN of June 15, 1953, p. 834, footnote 2.

that such arms would not be used for the purpose of aggression against any other Middle East state.

8. How would such aggression by Egypt against Israel be resisted? Would resistance be limited merely to political intercession or would political pronouncements be implemented by force of arms?

9. Should there not be firmer guaranties of the Middle East status quo by the three powers? Should not military sanctions be imposed upon any Middle East nation, Arab, or Israel, guilty of aggression and hostile invasion?

10. Equally important is the question of whether Egypt will interfere with shipping passing through the Gulf of Aqaba towards and from the Israeli port of Elath. The Egyptians hold two islands commanding the entrance to the gulf. Has the United States considered this possible handicap to Israel?

It is to be noted significantly that upon learning that Egypt had entered into an agreement for the purchase of light weapons and munitions worth \$3½ million with Spain, the British voiced deep objection in an aide memoire to Franco. Naturally the British were apprehensive since they have agreed to haul down their flag in the process of concluding an evacuation of British military forces from the Suez area.

11. It is of double ironic interest that the United States Defense Department also expressed its concern to the Spanish general staff. Both the British and our Defense Department understandably question to what use these arms would be used. Now Spain agreeable to protest has agreed not to supply arms to Egypt. When we, citizens of the United States, asked the question to what use the United States arms granted to Iraq would be put, we were told that our fears were merely neurotic. Hence we must conclude what is sauce for the goose is not sauce for the gander.

Now arms are to be supplied to Egypt by us. Apparently we express concern when Spain aspired to send arms to Egypt but have no qualms in sending them ourselves.

May we have an explanation of this inconsistency?

12. The Heads of Agreement concluded between Egypt and Great Britain dated July 27, 1954, pertaining to the Suez military bases³ contains the following:

The agreement will recognize that the Suez Maritime Canal, which is an integral part of Egypt, is a waterway economically, commercially and strategically of international importance, and will express the determination of both parties to uphold the 1888 Convention guaranteeing the freedom of navigation of the Canal.

Egypt has repeatedly failed to abide by these guaranties concerning free accessibility of the Suez Canal.

Has the United States made any representations to Egypt concerning her default in this regard?

³ *Ibid.*, Aug. 9, 1954, p. 198.

If not why should not strong representations be made now?

With assurances of highest esteem, I am,
Sincerely yours,

EMANUEL CELLER.

**ASSISTANT SECRETARY MORTON TO
REPRESENTATIVE CELLER**

AUGUST 11, 1954

DEAR MR. CELLER: I have received your communication of August 4, 1954 requesting comment on certain aspects of United States relations with Egypt, Israel and other Near Eastern countries in the light of the recently concluded "Heads of Agreement" between the Governments of the United Kingdom and Egypt on the Suez Base.

As you are aware, this Government has been deeply concerned over Anglo-Egyptian relations over a period of several years. There has been cause for apprehension ever since a previous Egyptian government unilaterally denounced the Anglo-Egyptian treaty in the spring of 1951. There has been deep popular unrest in Egypt and, you will recall, a serious outbreak took place in Cairo on January 26, 1952. It was our conviction that the prolongation of a situation of this nature could only entail a very grave risk to the peace and stability of the whole area. For this reason it was a matter of gratification to the Department to see such significant progress made in removing a major element of difficulty in Egypt's foreign relations and domestic situation.

It is of interest to note that shortly after the signing of the "Heads of Agreement" Lt. Colonel Gamal Abd an-Nasr made several public statements. In an interview given to a correspondent of the London *Times* on August 1, the Prime Minister is quoted as stating: "We entertain no evil designs in respect of Israel. We only want to be able to repulse any attack against us and to defend ourselves."

On August 3 the Cairo press carried an interview with a "highly placed Egyptian source." He was asked whether the British negotiators had requested assurances that Egypt would not attack Israel. He replied that "we talked about the maintenance of peace in the Middle East generally. We emphasized that we had no intention of attacking anybody and we pointed specifically to the armistice agreement between ourselves and Israel."

On August 3 the Egyptian Prime Minister had an interview with an Associated Press representative. Throughout the conversation the Prime Minister emphasized his desire for peace. He stated that Egypt's whole theme now was constructive planning. He added, "we do not believe war constitutes constructive planning."

In citing these statements, I do not wish to imply

that this Government relies primarily on public declarations of officials of this area in assessing the intentions of their Governments or their peoples, but rather on the cumulative evidence of reports from many sources and primarily those of our own diplomatic missions. Due assessment in this case, however, coincides with these official Egyptian statements. We fail to find evidence that any Arab state is desirous or capable of sustaining an aggressive move against Israel.

The Israel request for military assistance remains under consideration by this Government. Factors involved in the consideration of this application include Israel's present military posture, which is not one of weakness, and her position in the overall strategic concept of the area. As conditions improve in the area generally the role which Israel could play in the defense of the Near East should take on added importance.

Arms aid extended to any country is subject to the legislative requirement that suitable assurances be given that the arms will not be used for aggressive purposes. Due consideration will also be given to conditions existing in the area at the time of actual shipment of military equipment. Also, because of logistical and training factors any shipments made will not have important effects on relative military strengths for a considerable period.

With respect to a possible shipment of Spanish arms to Egypt, some time ago the British were apprehensive that such shipments might upset the delicate negotiations which led to the signing of the "Heads of Agreement." We expressed concern over the possibilities that the export of arms might prove inconsistent with the spirit of the mutual assistance agreement concluded between the United States and Spain.

The United States continues to be a firm supporter of the Tripartite Declaration of 1950 and would not hesitate to take action under this declaration, should the necessity arise. We are constantly discussing with the countries of the area as well as the British and French ways and means by which area tensions can be reduced. As an example of such efforts, you may be aware of our attempts with these governments to improve the situation along the Jordan-Israel armistice line.

As regards your questions concerning the freedom of commerce through the Suez Canal and the Gulf of Aqaba, you may rest assured the United States stands fully behind the Security Council resolution of September 1, 1951, calling upon Egypt to lift restrictions on Suez Canal traffic bound to or from Israel and will continue to urge compliance on the Egyptian Government. My letter to you of August 2⁴ enclosing a copy of a letter to Senator Saltonstall⁴ is a detailed expression of the Government's policy in this regard.

⁴ Not printed.

It is our belief that our efforts in the Near East towards promoting increasing local activity to raise living standards, relaxing of area tension, the lessening of opportunities for communist exploitation, and the gradual strengthening of the countries of this area can only work to the benefit of all. The threat posed by Soviet imperialism is of such a character that we feel obliged to take immediate measures to foster indigenous defensive strength, and not to delay such steps pending a definitive settlement of intra-area problems.

Our close friendship with Israel remains firm, and you can be sure that this Government regards the step-by-step reduction of tensions between Israel and her Arab neighbors as an essential element in its major objective to strengthen the area as a whole. It believes that its present policies serve that objective.

Sincerely yours,

For the Secretary of State:

THRUSTON B. MORTON

Assistant Secretary

TREATY INFORMATION

Agreement With West Germany on Surplus Property Payment

Press release 464 dated August 20

Following are the texts of notes exchanged between the Department of State and the Diplomatic Mission of the Federal Republic of Germany which constitute an agreement pursuant to Articles I and VII of the Surplus Property Payment Agreement of February 27, 1953.¹ The exchange of notes provides for an adjustment of \$2.35 million in the \$203 million indebtedness of the Federal Republic under this agreement. This adjustment arises with respect to certain of the claims asserted against the Federal Republic or its agencies as a result of the reacquisition by the United States of surplus property previously sold to the Federal Republic by the United States as described in the Department's press release No. 72 of February 17, 1954.²

¹ BULLETIN of Mar. 9, 1953, p. 373.

² Not printed.

MAY 17, 1954

The Secretary of State presents his compliments to the Chargé d'Affaires ad interim of the Diplomatic Mission of the Federal Republic of Germany and refers to the negotiations which commenced in Washington on February 19, 1954 at a Conference between representatives of the Government of the Federal Republic of Germany and the Government of the United States pursuant to Articles I and VII of the Agreement between the United States of America and the Federal Republic of Germany regarding the Settlement of the Obligation of the Federal Republic of Germany to the United States of America for Surplus Property Furnished Germany, signed at London on February 27, 1953. These negotiations are for the purpose of reaching agreement, in accordance with Article VII of the Agreement, on the total amount to be deducted from the indebtedness of the Federal Republic to the United States specified in Article I of the Agreement in respect of claims or damages lodged by third parties against the Federal Republic or its agencies arising from the reacquisition of certain of the surplus property by the United States.

At the outset of the negotiations, consideration was given to determining the total number of third party claims which the Conference might be called upon to consider. The information available to representatives of both Governments was exchanged and it was agreed that the maximum number of claims involved was twenty-two. A list setting forth these claims for identification purposes, by number and by name, is attached.

The Conference undertook a careful review and study of the legal and factual basis of the individual claims, taking into account the assurances and explanations of the German representatives regarding German law, governmental procedures, and pertinent facts relating to the claims themselves and to the manner in which they have been and would be processed in Germany. While this review and study has included all of the twenty-two claims, it has been completed to the satisfaction of the Conference only with respect to claims C-1 through C-11 and C-19.

In the interest of fulfilling the obligations contained in Article VII of the Surplus Property Payment Agreement insofar as is possible at this time, the Government of the United States proposes an interim agreement to provide for the final disposition of claims C-1 through C-11 and C-19, and for the orderly conduct of further studies of the remaining claims as may be required, in the following terms:

1. The United States Government will allow and the Government of the Federal Republic will accept a deduction of \$2,350,000 effective January 1, 1953 from the indebtedness of the Federal Republic specified in Article I of the Surplus Property

Payment Agreement of February 27, 1953 as full and final disposition and adjustment as between the two Governments in respect of claims C-1 through C-11 and C-19, as shown on the attached list, including any interest thereon and any other costs relating thereto.

2. The Government of the Federal Republic will undertake all further dealings with the claimants regarding claims C-1 through C-11 and C-19, including any disposition which may be made as to such claims; and the Federal Republic on behalf of itself and all persons subject to its jurisdiction hereby releases and discharges the United States, including its agencies and instrumentalities and all officers and employees thereof, from any and all claims and liabilities either now existing or hereafter arising in connection with transactions involved in these twelve claims, and will indemnify and hold harmless the United States with respect to any and all such claims and liabilities.

3. Representatives of the two Governments will cooperate in obtaining and assembling additional pertinent factual information regarding the remaining ten claims so that the review and study of these claims may be completed as promptly as possible. Thereafter, the negotiations will be resumed for the purpose of reaching agreement as to what additional amount is to be deducted in respect of such remaining ten claims from the indebtedness of the Federal Republic to the United States specified in Article I of the Surplus Property Payment Agreement.

If the Government of the Federal Republic of Germany is agreeable to the foregoing proposals the Government of the United States of America will consider the present note and your reply concurring therein as constituting an agreement between our respective Governments which shall enter into force on the date of the receipt of your note in reply.

Enclosure: List of Claims.

DEPARTMENT OF STATE,
Washington, May 17, 1954.

NEGOTIATIONS BETWEEN THE UNITED STATES
AND THE FEDERAL REPUBLIC OF GERMANY
UNDER ARTICLES I AND VII OF THE SURPLUS
PROPERTY PAYMENTS AGREEMENT

Agreed List of Claims for Reference Purposes

- C-1 Trucks and Spares
- C-2 Metall-Chemie GmbH—Prop. Rudolf Buchmann
- C-3 Kruger and Hoffmann
- C-4 Karl Forster Kraftfahrzeug GmbH
- C-5 ACMA GmbH (successor in interest to Sievert)
- C-6 Paul Fabricant
- C-7 Tauber and Schadendorf
- C-8 Christian Schenchl
- C-9 NORDAP, Kraftfahrzeug GmbH
- C-10 Bundesbahn (German Federal Railway)
- C-11 ATEGE

- C-12 ANSKA TRUST III (Binswagen Depot)
 C-13 COGIMEX (Compagnie Generale d'Importation et d'Exportation)
 C-14 Allied Equipment Company
 C-15 William J. Lutes (U. S. Truck Sales)
 C-16 David B. Kaplus
 C-17 Oakland Truck Sales
 C-18 Cuban Truck and Equipment Company
 C-19 Testa (Cleveland)
 C-20 Richard Kuhn
 C-21 ANSKA TRUST I (automotive engines)
 C-22 ANSKA TRUST II (Mannheim Depot)

Text of German Note

The Chargé d'Affaires ad interim of the Federal Republic of Germany presents his compliments to the Secretary of State and has the honor to acknowledge receipt of the Secretary of State's note of May 17, 1954 which reads as follows:

(See text of U.S. Note)

On behalf of the Government of the Federal Republic of Germany the Chargé d'Affaires ad interim has the honor to inform the Secretary of State that the proposals set forth in his note of May 17, 1954 are acceptable and that the German Federal Government concurs with the further proposal that that note and this reply shall be considered as constituting an agreement between our respective Governments which shall enter into force on the date of the receipt of this reply by the Secretary of State.

WASHINGTON, D. C., August 17, 1954.

Current Actions

STATUS LIST ¹

Convention of the World Meteorological Organization

Signed at Washington under date of October 11, 1947

States which have deposited instruments of ratification or accession to the Convention and are members of the World Meteorological Organization:

State	Date of deposit of instrument of ratification	Date of deposit of instrument of accession	Date of entry into force ²
Argentina	Jan. 2, 1951	.....	Feb. 1, 1951
Australia ³	Mar. 14, 1949	.....	Mar. 23, 1950
Belgium ⁴	Feb. 2, 1951 ⁴	.....	Mar. 4, 1951
Bolivia . . . . .	.....	May 15, 1954	June 14, 1954
Brazil	Mar. 15, 1950 ⁴	.....	Apr. 14, 1950
Bulgaria . . . . .	.....	Mar. 12, 1952	Apr. 11, 1952
Burma	Aug. 19, 1949	.....	Mar. 23, 1950
Byelorussian Soviet Socialist Republic . . . . .	.....	Apr. 12, 1948	Mar. 23, 1950

¹ As of Aug. 13, 1954.

State	Date of deposit of instrument of ratification	Date of deposit of instrument of accession	Date of entry into force ²
Canada	July 28, 1950	.....	Aug. 27, 1950
Ceylon . . . . .	.....	May 23, 1951	June 22, 1951
China	Mar. 2, 1951	.....	Apr. 1, 1951
Cuba	Mar. 4, 1952	.....	Apr. 3, 1952
Czechoslovakia	July 26, 1949	.....	Mar. 23, 1950
Denmark ³	July 10, 1951	.....	Aug. 9, 1951
Dominican Republic	Sept. 15, 1949	.....	Mar. 23, 1950
Ecuador	June 7, 1951	.....	July 7, 1951
Egypt	Jan. 10, 1950 ⁴	.....	Mar. 23, 1950
Ethiopia . . . . .	.....	Dec. 3, 1953	Jan. 2, 1954
Finland	Jan. 7, 1949	.....	Mar. 23, 1950
France ³	Dec. 5, 1949	.....	Mar. 23, 1950
Germany, Fed. Republic of . . . . .	.....	June 10, 1954	July 10, 1954
Greece	Jan. 20, 1950 ⁴	.....	Mar. 23, 1950
Guatemala	Mar. 21, 1952	.....	Apr. 20, 1952
Haiti . . . . .	.....	Aug. 14, 1951	Sept. 13, 1951
Hungary	Feb. 15, 1951	.....	Mar. 17, 1951
Iceland	Jan. 16, 1948	.....	Mar. 23, 1950
India	Apr. 27, 1949	.....	Mar. 23, 1950
Indonesia . . . . .	.....	Nov. 16, 1950	Dec. 16, 1950
Iraq . . . . .	.....	Feb. 21, 1950	Mar. 23, 1950
Ireland	Mar. 14, 1950	.....	Apr. 13, 1950
Israel . . . . .	.....	Sept. 30, 1949	Mar. 23, 1950
Italy	Jan. 9, 1951 ⁴	.....	Feb. 8, 1951
Japan . . . . .	.....	Aug. 11, 1953	Sept. 10, 1953
Lebanon . . . . .	.....	Dec. 22, 1948	Mar. 23, 1950
Luxembourg . . . . .	.....	Oct. 29, 1952	Nov. 28, 1952
Mexico	May 27, 1949	.....	Mar. 23, 1950
Netherlands ³	Sept. 12, 1951	.....	Oct. 12, 1951
New Zealand	Apr. 2, 1948	.....	Mar. 23, 1950
Norway	Dec. 9, 1948	.....	Mar. 23, 1950
Pakistan	Apr. 11, 1950	.....	May 11, 1950
Paraguay	Sept. 15, 1950	.....	Oct. 15, 1950
Peru . . . . .	.....	Dec. 30, 1949	Mar. 23, 1950
Philippines	Apr. 5, 1949	.....	Mar. 23, 1950
Poland	May 16, 1950	.....	June 15, 1950
Portugal ³	Jan. 15, 1951 ⁴	.....	Feb. 14, 1951
Rumania . . . . .	.....	Aug. 18, 1948	Mar. 23, 1950
Spain ³ . . . . .	.....	Feb. 27, 1951	Mar. 29, 1951
Sweden	Nov. 10, 1948	.....	Mar. 23, 1950
Switzerland	Feb. 23, 1949	.....	Mar. 23, 1950
Syria . . . . .	.....	July 16, 1952	Aug. 15, 1952
Thailand	July 11, 1949	.....	Mar. 23, 1950
Turkey	Aug. 5, 1949	.....	Mar. 23, 1950
Ukrainian Soviet Socialist Republic . . . . .	.....	Apr. 12, 1948	Mar. 23, 1950
Union of South Africa ³	Jan. 17, 1950	.....	Mar. 23, 1950
Union of Soviet Socialist Republics . . . . .	.....	Apr. 2, 1948	Mar. 23, 1950
United Kingdom of Great Britain and Northern Ireland ³	Dec. 14, 1948	.....	Mar. 23, 1950
United States of America	May 4, 1949 ⁴	.....	Mar. 23, 1950
Uruguay	Jan. 11, 1951	.....	Feb. 10, 1951
Venezuela . . . . .	.....	June 16, 1950	July 16, 1950
Yugoslavia	Dec. 7, 1948 ⁴	.....	Mar. 23, 1950

² The Convention, in accordance with the provisions of article 35 thereof, entered into force on Mar. 23, 1950, between the Governments of Australia, Burma, Byelorussian Soviet Socialist Republic, Czechoslovakia, Dominican Republic, Egypt, Finland, France, Greece, Iceland, India, Iraq, Israel, Lebanon, Mexico, New Zealand, Norway, Peru, Philippines, Rumania, Sweden, Switzerland, Thailand, Turkey, Ukrainian Soviet Socialist Republic, Union of South Africa, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, and Yugoslavia.

³ For territorial application, see following listings.
⁴ Instrument of ratification included Protocol Concerning Spain.

⁵ A declaration concerning the Anglo-Egyptian Sudan was received with the Egyptian instrument of ratification.

Territories or groups of territories maintaining their own meteorological services which by virtue of the declarations given on their behalf by the State responsible for their international relations, in accordance with the provisions of articles 3(d) and 34(a) of the Convention, are separate members of the World Meteorological Organization:

	<i>Date of receipt of declaration</i>
Belgium for:	
Belgian Congo	Feb. 2, 1951
France for:	
Cameroons under French Trusteeship	Dec. 5, 1949
French Equatorial Africa	Dec. 5, 1949
French Oceanic Colonies	Dec. 5, 1949
French Somaliland	Dec. 5, 1949
French Togoland	Dec. 5, 1949
French West Africa	Dec. 5, 1949
Indo China	Dec. 5, 1949
Madagascar	Dec. 5, 1949
Morocco (not including the Spanish Zone)	Dec. 5, 1949
New Caledonia	Dec. 5, 1949
Tunisia	Dec. 5, 1949
Netherlands for:	
The Netherlands Antilles (Curaçao)	Sept. 12, 1951
New Guinea (The Netherlands Indies)	Sept. 12, 1951
Surinam	Sept. 12, 1951

Territories or groups of territories maintaining their own meteorological services which by virtue of the notifications of application given on their behalf by the State responsible for their international relations, in accordance with the provisions of Articles 3 (e) and 34 (b) of the Convention, are separate members of the World Meteorological Organization:

	<i>Date of receipt of notification of application</i>
Spain for:	
Spanish Guinea	Mar. 25, 1954
Spanish Morocco	Mar. 25, 1954
United Kingdom of Great Britain and Northern Ireland for:	
British Caribbean Territories	Sept. 24, 1953
Bahamas	
Barbados	
British Guiana	
British Honduras	
Jamaica (including Turks and Caicos Islands)	
Leeward Islands (Antigua, Montserrat, St. Christopher and Nevis and the Virgin Islands)	
Trinidad and Tobago	
Windward Islands (Dominica, Grenada, St. Lucia, St. Vincent)	

Territories and areas to which the Convention has been applied by various States, by virtue of the membership of those States in the World Meteorological Organization, which territories and areas are not separate members of the Organization:

	<i>Date of receipt of notification</i>
Australia for:	
Papua	Oct. 26, 1950
Norfolk Island	Oct. 26, 1950
New Guinea (under Australian Trusteeship).	Oct. 26, 1950

	<i>Date of receipt of notification</i>
Australia for—Continued	
Nauru (under Joint Trusteeship) ⁶	Oct. 26, 1950
Belgium for:	
Trust Territory of Ruanda-Urundi	Feb. 2, 1951
Denmark for:	
Greenland	Jan. 25, 1952
France for:	
Algeria	Dec. 5, 1949
French Guiana	Dec. 5, 1949
French West Indies	Dec. 5, 1949
Réunion	Dec. 5, 1949
Saint Pierre and Miquelon	Dec. 5, 1949
Saar	Dec. 5, 1949
Valleys of Andorra	Dec. 5, 1949
New Hebrides (Condominium)	Sept. 1, 1953
Portugal for:	
Angola (Portuguese West Africa)	Jan. 15, 1951
Mozambique (Portuguese East Africa)	Jan. 15, 1951
United Kingdom of Great Britain and Northern Ireland for:	
Bermuda	Dec. 14, 1948
Central African Territories	Dec. 14, 1948
[Listed in Annex II of the Convention as "Rhodesia"]	
Northern Rhodesia (Protectorate)	
Nyasaland Protectorate	
Southern Rhodesia	
Hong Kong	Dec. 14, 1948
Malayan Territories	Dec. 14, 1948
[Listed in Annex II of the Convention as "Malaya"]	
Singapore	
Federation of Malaya	
North Borneo	
Sarawak	
Brunei (Protected State)	
The East African Territories and Indian Ocean Islands	Dec. 14, 1948
[Listed in Annex II of the Convention as "British East Africa" and "Mauritius"]	
Kenya (Colony and Protectorate)	
Uganda Protectorate	
Tanganyika (Trust Territory)	
Zanzibar Protectorate	
Mauritius	
Seychelles	
The West African Territories	Dec. 14, 1948
[Listed in Annex II of the Convention as "British West Africa" and "Cameroons" (under United Kingdom Trusteeship)]	
Nigeria (a) Colony	
(b) Protectorate	
(c) Cameroons under United Kingdom Trusteeship	
Gold Coast (a) Colony	
(b) Ashanti	
(c) Northern Territories	
(d) Togoland under United Kingdom Trusteeship	
Sierra Leone (Colony and Protectorate)	
Gambia (Colony and Protectorate)	
Portugal for:	
Azores Archipelago	Jan. 15, 1951
Madeira Islands	Jan. 15, 1951
Cape Verde Islands	Jan. 15, 1951
Portuguese Guinea	Jan. 15, 1951

⁶ It is stated in the Australian notification that "The Trusteeship Agreement designates the Governments of Australia, New Zealand and the United Kingdom as the Joint Administering Authority, with the Government of Australia, continuing, on behalf of the Administering Authority, to exercise full powers of legislation, administration and jurisdiction in and over the Territory."

	<i>Date of receipt of notification</i>
Portugal for—Continued	
Islands of S. Tomé and Príncipe, and the Fortress of S. João Baptista de Ajuda . . .	Jan. 15, 1951
Portuguese India (Estado da India) . . .	Jan. 15, 1951
Macao	Jan. 15, 1951
Portuguese Timor	Jan. 15, 1951
Spain for:	
Africa Occidental Española (Spanish West Africa)	Feb. 27, 1951
Valleys of Andorra	Apr. 13, 1951
Union of South Africa for:	
Territory of South West Africa	Jan. 17, 1950
United Kingdom of Great Britain and Northern Ireland for:	
Aden (Colony and Protectorate)	Dec. 14, 1948
Basutoland	Dec. 14, 1948
Bechuanaland (Protectorate)	Dec. 14, 1948
British Solomon Islands (Protectorate) .	Dec. 14, 1948
Falkland Islands and Dependencies . . .	Dec. 14, 1948
Fiji	Dec. 14, 1948
Gibraltar	Dec. 14, 1948
Gilbert and Ellice Islands	Dec. 14, 1948
Malta	Dec. 14, 1948
Swaziland	Dec. 14, 1948
New Hebrides (Condominium)	Sept. 1, 1953
British Somaliland (Protectorate) . . .	Nov. 2, 1953

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Educational Exchange Grants. Pub. 5484. International Information and Cultural Series 29. 21 pp. 10¢.

A pamphlet prepared for applicants on grants which summarizes the objectives and basic laws authorizing the International Educational Exchange Program.

Foreign Consular Offices in the United States, April 1, 1954. Pub. 5448. Department and Foreign Service Series 35. 48 pp. 20¢.

An official list of the foreign consular offices in the United States, their jurisdictions, and recognized personnel prepared for the convenience of Government agencies, State tax officials, chambers of commerce, judicial authorities, and other organizations or persons who must deal with representatives of foreign governments.

Mutual Defense Assistance. TIAS 2751. Pub. 5354. 3 pp. 5¢.

Agreement between the United States and Ethiopia. Exchange of notes—Signed at Addis Ababa June 12 and 13, 1952.

Amendment to Anglo-French Agreement for Reestablishment of International Administration of Tangier. TIAS 2752. Pub. 5355. 19 pp. 15¢.

Protocol between the United States and Other Governments—Signed at Tangier Nov. 10, 1952.

Technical Cooperation—Program of Education. TIAS 2754. Pub. 5364. 4 pp. 5¢.

Agreement between the United States and Iraq. Exchange of notes—Dated at Baghdad Feb. 26 and May 21, 1952.

Technical Cooperation—Public Works Program. TIAS 2755. Pub. 5365. 4 pp. 5¢

Agreement between the United States and Iraq. Exchange of notes—Dated at Baghdad Feb. 27 and May 21, 1952.

Relief From Taxation on Defense Expenditures. TIAS 2784. Pub. 5200. 14 pp. 10¢.

Agreement between the United States and Portugal. Exchange of notes—Signed at Lisbon Apr. 1, 1953.

High Seas Fisheries of the North Pacific Ocean. TIAS 2786. Pub. 5202. 41 pp. 20¢.

Convention, with Annex and Protocol, between United States, Canada, and Japan—Signed at Tokyo May 9, 1952.

Technical Cooperation—Program of Education. TIAS 2804. Pub. 5265. 5 pp. 5¢.

Agreement between United States and Ethiopia, superseding and replacing agreement of June 17 and 18, 1952. Exchange of notes—Dated at Addis Ababa June 23 and 25, 1953.

Economic Cooperation. TIAS 2815. Pub. 5234. 3 pp. 5¢.

Agreement between United States and the United Kingdom, amending agreement of July 6, 1948, as amended. Exchange of notes—Signed at London Feb. 25, 1953.

THE DEPARTMENT

Designation

Niles W. Bond as Deputy Director of the Office of United Nations Political and Security Affairs, effective August 12.

FOREIGN SERVICE

Confirmations

The Senate on August 18 confirmed Robert McClintock to be Ambassador to Cambodia.

The Senate on August 18 confirmed Charles W. Yost to be Minister to Laos.

The Senate on August 20 firmed John J. Muccio to be Minister to Iceland.

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446	8/16	Guatemala credentials (re-write).
447	8/16	Viet-Nam credentials (re-write).
448	8/16	Wainhouse: Charter review.
*449	8/16	McClintock nomination to Cambodia.
450	8/17	Delegates to mathematical conference.
*451	8/17	Educational exchange.
*452	8/17	Yost nomination to Laos.
*453	8/18	U.S. note to Denmark. (See BULLETIN of Aug. 16, p. 251.)
*454	8/18	U.S. note to Denmark. (See BULLETIN of Aug. 16, p. 251.)
455	8/17	Dulles: General Smith resigns.
456	8/18	U.S.-Panamanian discussions.
457	8/18	St. Lawrence Seaway project.
*458	8/18	Herbert Hoover, Jr., statement.
459	8/19	Cinematographic Art Exhibition.
*460	8/19	Dulles: Message to Mrs. De Gasperi.
461	8/19	Delegates to Edinburgh Film Festival.
*462	8/19	De Gasperi death.
463	8/20	Murphy: Military power and foreign policy.
464	8/20	Surplus property payment agreement.
465	8/20	U.S. note to Czechoslovakia.
466	8/20	Senators to attend conferences.
467	8/21	Hearings on GATT.
*468	8/21	De Gasperi funeral.
†469	8/21	Pakistan flood relief agreement.

* Not printed.

† Held for a later issue of the BULLETIN.

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The Department of State

bulletin

Vol. XXXI, No. 793
September 6, 1954



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The Department of State bulletin

VOL. XXXI, No. 793 • PUBLICATION 5580

September 6, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has
been approved by the Director of the
Bureau of the Budget (January 22, 1952).

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appreciated.

Our European Allies

by Livingston T. Merchant

*Assistant Secretary for European Affairs*¹

I want to talk with you today about our relations with our allies—particularly, our relations with our allies in Europe. This is a lively topic at the moment. During recent months, the relationships between the United States and the nations allied with us have been the subject of more intense public discussion than at any other time within my memory.

While debates of this kind usually produce a certain amount of exaggerated criticism, I believe the present discussion has many useful features. It provides evidence of the growing realization of America's stake in what happens in the world—our increasing awareness of the real problems we face in our quest for peace and survival. Actually, the question of relationships with our allies—how we are to conduct ourselves toward them, how they conduct themselves toward us—lies at the very heart of the entire problem of American foreign policy.

One of the most significant historical developments of the twentieth century has been the rapid shift of the United States from a "lone wolf" defense policy to a position of active participation in worldwide collective security arrangements. This revolutionary transformation in American policies has not resulted primarily from the decisions or actions of professional diplomats. It has not been caused by personal preferences or prejudices. Only in a limited degree has it resulted from the views of Presidents, congressional leaders, or Secretaries of State. Rather, this transformation is a direct result of the changed environment in which we live. I doubt that any President or any Secretary of State has ever influenced American foreign policy as much as the Wright brothers, or Marconi and Forrest, or Enrico Fermi, or a host of similar scientists and inventors.

¹ Address made before the Foreign Relations Commission and the Security Commission of the American Legion at Washington, D. C., on Aug. 27 (press release 480).

Whether we like it or not, technological developments have caused the world to grow smaller and have made the United States more vulnerable to attack. This vulnerability has been increased by other factors, such as the disintegration of the balance-of-power system which prevailed in the nineteenth century, the emergence of an expansionist hostile power bloc, in the form of the Soviet empire, and the growing dependence of the United States on raw materials from other parts of the world. This combination of circumstances has undermined the physical security we once took for granted and has placed us in a position of grave danger.

Today this Nation and other free nations throughout the world are engaged in a gigantic struggle for survival against one of the most powerful, most aggressive, most devilishly ingenious, and most ruthless regimes in human history. Some people have described this struggle as a "cold war." To the American soldiers who fought in Korea, the French soldiers who fought in Indochina and their Asiatic allies, the British in Malaya, I doubt that the term "cold war" would seem suitable. There was nothing cold about it, except perhaps the weather in Korea. Nevertheless, I think we all recognize that this struggle is something new—that it is being conducted in a way which has no historical precedent.

The Soviet Pattern of Aggression

It is crystal clear that the leaders of the Communist empire are determined to dominate the world. While they are not bound to any particular timetable, they have been quite frank in letting us know their ultimate intentions. In this sense, Soviet ambitions are closely similar to the ambitions of other aggressive dictatorships throughout history, from Alexander the Great to Hitler. But the Soviet pattern of aggression differs sharply from that employed by earlier aggressors, in terms of its grand strategy, the power at its dis-

posals, and the variety of its tactics in applying that power.

So far, the Communist empire has shown no inclination to launch a direct attack upon the principal obstacle to Communist ambitions—the United States of America. If the United States could be crushed, it would be relatively easy for the Communists to take over the rest of the world. But the Soviet leaders have demonstrated a genuine and healthy respect for American industrial and technological superiority. It appears, therefore, that they hope to nullify this superiority by taking over the rest of the world first. If they can conquer additional territory, enslave additional millions of people, gain new agricultural and mineral resources, seize additional factories and laboratories, they know that they can eventually achieve a position of military, economic, and political power greatly superior to that of the United States. By military conquest of one country, political subversion of another, and neutralizing still another, their aim is gradually to strengthen themselves and weaken the free peoples to such an extent that further resistance to their ambitions will be impossible. This is the real meaning of the “cold war.”

Another striking difference between the Soviet pattern of conquest and the methods employed by past aggressors is the great emphasis the Communists place upon nonmilitary techniques. They are quite willing to use armed force when it suits their purposes, as we saw in Korea. They prefer, of course, to make their military attacks under the cloak of civil war, as in Greece and Indochina. But they are also highly efficient in the art of political warfare. They have agents and propagandists in every country on earth. They are alert to every weakness of free society, economic or social. They conduct a continual war of attrition against free governments and try to build up political forces within every nation to serve Communist interests, in hopes of taking over these nations without the necessity of resorting to armed force. They recognize that their propaganda has an insidious appeal to people who are suffering poverty and oppression, and they know that economic, or social, or political weakness in any free nation offers them as many opportunities as military weakness. Usually, they employ a multiple-pronged attack in which the use—or the threat—of military force, political agitation, propaganda, economic pressure, and social disruption are skillfully combined.

We would be blinding ourselves to the fact if we failed to recognize that these Communist tactics have been diabolically successful. Since World War II the Communist rulers have added more than 600 million people to their empire. They are maintaining the largest peacetime armies in history. They have a large and expanding industrial establishment to back up their military machine. Communist political influences are

dangerously strong in many free areas of Europe, Asia, and Latin America. Soviet atomic power is increasing steadily. When all these things are added together, it becomes clear that we have never confronted a more deadly threat to our survival.

I doubt that anything is more important to the future of every citizen of this country than our success in meeting and countering this threat. Our very lives, and the lives of millions yet unborn, will almost certainly depend upon the intelligence and vigor with which we conduct our international relations during the next few years.

To be successful in halting and reversing the Communist tide, we need all the strength we can muster. The degree of strength we attain will determine our chances of avoiding the catastrophe of atomic war and will also determine our ability to win such a war if it is forced upon us. One does not have to be a diplomatic or military expert to see that the strength of the United States alone, even if developed to the limits of our potential, is not sufficient to guarantee peace or security. If we are to do no more than hold the Communists in check, we still must place reliance not solely in our own strength, but in the combined strength of the free world as a whole. This is even truer if we are ever to hope to reverse the Communist tide. And this brings us squarely to the problem of our relationships with our allies.

Who Are Our Allies?

First of all, let us be quite clear in our own minds what we mean by the expression “our allies.” Our allies are those nations to whom we are bound, and who are bound to us, by specific treaty obligations. First—speaking chronologically—we have the Treaty of Rio de Janeiro which binds us in alliance with the 20 other American Republics in the Western Hemisphere. Next we have the North Atlantic Treaty, which is a defensive alliance among the 14 nations who are members of the North Atlantic Treaty Organization. We have the ANZUS Treaty with Australia and New Zealand. We have security pacts with the Philippines and with Japan. Putting all those together we are bound by treaties and alliances with 37 other free nations in the Western Hemisphere, in Europe, and in the Pacific. And negotiations are opening shortly in Manila, looking toward the conclusion of a defensive pact for Southeast Asia.

Now, some of us, I am afraid, have not yet learned to look at our allies in the perspective of the twentieth century. Some of us are too often inclined to view our foreign commitments in terms of the experience of the First World War and to believe that their purpose is to help other countries—to “pull other nations’ chestnuts out of the fire.” Nothing could be further from the truth. Even in World War I and World War II, we had a vital stake in the outcome. Today, our interests

are overwhelmingly involved. The "chestnuts" belong to us, and we should never forget it.

It is unrealistic, of course, to describe our alliances solely in terms of cold-blooded self-interest. The American people are not coldblooded. We have a genuine humanitarian regard for the welfare of other peoples. These humanitarian instincts are intensified by the traditional bonds of culture and kinship which link us to the Old World. When the Marshall Plan for European Economic Recovery was under consideration in this country, I am sure that many of our fellow countrymen supported it for reasons of generosity without thinking very much about whether American interests were at stake.

But our interests are at stake. When we ignore considerations of generosity and humanitarianism and take a hard-boiled view of our national interests, we cannot escape the conclusion that the strength, stability, and unity of other free nations are absolutely essential to our own survival. Fundamentally, we have two broad objectives with respect to these nations. First, we cannot afford to see their territory, people, and resources absorbed by the Communist empire and added to the Soviet war potential. Second, we want these countries to be in a position to make a maximum contribution to our security, both in conducting the cold war and, if necessary, in fighting any hot war the Communists may launch against us. In other words, we want these nations to be on our side, and not under Russia's thumb. It's as simple as that.

Our Allies' Contributions

Some people still ask: "What do these foreign countries have that we need?" That is a question that is always well worth answering, because we hear a great deal about what we give to our allies in terms of money, manpower, and commitments, but we hear relatively little about what they give us. Let me outline briefly some of the ways in which the United States depends upon other free nations.

First, we all know that the United States has only six percent of the world population. At the present time, the Soviet bloc outnumbers the United States 5 to 1 in manpower. But the free world as a whole still outnumbers the Soviet bloc by a margin of 2 to 1. In terms of human resources, therefore, the United States alone is already greatly inferior to the Communist empire, but we retain a marked advantage if our strength is combined with that of other free nations.

Man for man, the people of the United States have the most abundant scientific, technical, and industrial skills in the world. But Western Europe is the cradle of modern technology and modern industry, and the scientists of such countries as France, Germany, Italy, and Great

Britain have made, and are making, a tremendous contribution to future scientific progress. We all remember, I hope, how scientists from nearly a dozen European countries and Canada pooled their knowledge and ingenuity with ours in the development of the original atomic bomb. In the years to come, our security will depend increasingly upon the progress of science and techniques. Through cooperation with allied countries, we should be able to maintain our scientific lead. But if these countries should be enslaved by the Soviet Union, the skills of peoples now free would inevitably contribute to the Communist potential.

The United States is the greatest single treasure house of natural resources that the world has ever known. Nevertheless, we possess only a small proportion of the total resources of the earth as a whole. Today, the United States depends upon foreign countries for adequate supplies of 50 vital raw materials, including such items as natural rubber, nickel, tin, manganese, and chromium. Without these imports our industry would be forced to find substitutes for many of the materials that are now vital to the construction of modern weapons of war. And for some there just are no substitutes.

Our export markets are less directly vital to our security, but they are very important to our national economic health, on which security ultimately depends. The United States now exports about 40 percent of its cotton production, 35 percent of its wheat, 25 percent of its tobacco, 20 percent of its tractors, and similar quantities of many other items. The loss of our export trade would require painful economic readjustments in this country.

One of America's greatest assets in the struggle for peace and security has been its enormous industrial power. We have won past wars largely because of our superiority in production. But this superiority can no longer be taken for granted. Allied nations, especially those in Europe, have huge industrial facilities. So long as their mines and factories remain on our side, they increase the margin of free world superiority. But if the Communists could gain control of Western Europe alone and add Europe's industrial facilities to those already under Soviet domination, they would have the means of attaining industrial superiority over the United States within a relatively short period of time.

Allied countries provide us military bases vital to the maintenance of an effective defense posture. Our capacity for massive retaliation against aggression—for crippling blows at the heart of enemy power—depends largely upon American and joint bases in allied countries. These bases offer a major deterrent to war and, if war comes, provide our most effective means of destroying the enemy and minimizing destruction in this country.

Finally, we should remember that the military forces maintained by allied countries add substan-

tially to the total military power available to resist Communist aggression. None of our military experts believes that we can afford to depend exclusively upon atom or hydrogen bombs for military protection. We still need balanced military forces to supplement our retaliatory capacity. In ground forces, the United States now has only about 25 divisions. Our allies and the other friendly nations cooperating in our mutual security program together have a total of 175 divisions. No man who is sincerely interested in the safety and well-being of the American people could honestly advocate throwing away the extra protection afforded by these friendly military forces.

You will notice that I have been talking so far about our relations with free nations throughout the world and have not confined myself exclusively to the European area. It is important that we look at our international problems from a global perspective. If we do this, artificial controversies as to what area comes first disappear. Our policies are not based on the concept of "Europe first" or "Asia first" or any other area first. They proceed from the premise that free world security is indivisible.

This global emphasis, however, should not cause anyone to discount or underestimate the importance of the European area, which remains the heart of the free world's security system. Not counting the United States itself, our European allies have most of the industrial power now available to the free world, and they have the only large concentration of military forces capable of effective action under conditions of modern warfare. Allied bases in the European area are closer to the centers of Soviet power than anywhere else. Moreover, several European nations still exercise a great deal of influence in Asia and Africa and have made a substantial contribution to resisting the penetration of communism into these areas.

So long as the United States and free Europe work in harmony and make the most of our combined economic, military, and political availabilities, we have an excellent prospect of holding communism in check and eventually attracting enslaved peoples to freedom without another world war. But the loss of these European allies would mean an up-hill battle for survival and might leave the United States no effective means of stopping Communist imperialism until a mutually devastating atomic war was forced upon us.

Are Our Allies Dependable?

Now, I know that many Americans recognize the importance of our European allies but are inclined to ask whether these allies are really dependable. Are they actually serious about resisting communism? Can we count on them when the chips are down? Can free countries really stick together in the face of conflicting attitudes and interests?

Whenever anyone asks whether our allies are dependable, it is necessary first to be clear what he means by the question. If the question is whether our allies will follow the United States lead on every occasion—will do exactly what we want them to do—will never disagree with us on issues of policy—the answer is "No." The free countries of Europe are not satellites but partners. And a partnership is a two-way street. Our allies are going to think for themselves, just as we are, and sometimes they are going to reach different conclusions. That is simply a fact of life. That is no reason to become excited, or to make mournful statements that our alliance is falling apart. When you enter a partnership with others, you cannot thereafter act in exactly the same way that you would act if you were running your own business.

Furthermore, when we speak of the dependability of our allies, we do not mean that we have any absolute guarantee that they will continue to cooperate with us in all circumstances. It is a mistake to view any nation as a complete entity. Every nation is made up of individual human beings. There are some people in every allied country who oppose cooperation with the United States, just as there is a small minority in this country which opposes cooperation with Europe. In certain allied countries, such as France and Italy, there are strong Communist political parties. Under certain circumstances, such as a severe economic depression in Europe, it might become possible for the Communists to gain control of these countries without the actual use of armed force. This is simply a chance we have to take if we are going to work with other nations. But if you look at the problem realistically, you will discover that we haven't any real alternative. If we don't work with these countries, and help them to strengthen themselves internally and externally, the possibility of a Communist takeover would no longer be a chance; it would be a virtual certainty.

In point of fact we have most excellent reasons for confidence in the dependability of our European allies. The governments of every one of these countries, and the great majority of the people, are fully aware of the Communist menace and are determined to do something about it. Since we signed the North Atlantic Treaty in 1949, they have made a remarkable defense effort. They have extended their terms of military service and have added more than a million men to their armed forces. Their military production has quadrupled. Their military budgets have more than doubled. We have all heard a great deal about the large quantities of military assistance that the Congress has made available to our allies. But I doubt that 1 American in 10 knows that our European allies, since 1949, have spent three dollars from their own military budgets for every

dollar's worth of assistance they have received from the United States.

Several of our European allies made important contributions to the United Nations forces combatting communism in Korea. These contributions would undoubtedly have been much larger if it had not been equally important at that time to fill the military vacuum in Western Europe as rapidly as possible. In addition to their service in Korea, the British have been fighting Communist guerrillas for several years in Malaya and have been helping to resist Communist influence in other parts of Asia and Africa. And the French, as we all know, have just concluded a bloody war against the Communists in Indochina. All of us are disappointed by the gains the Communists made in that war, but those gains do not tarnish the record of French valor. No one can forget the magnificent stand at Dien-Bien-Phu. Nor can we forget that a nation with about one-fourth the population of the United States, and less than one-tenth of its resources, continued this grim and costly struggle for 8 long years. In proportion to national population, the French armies in Indochina lost considerably more men than the American army in Korea.

What I have said about Britain and France can be applied with equal validity to our other NATO allies. The Dutch fought for their freedom before the United States was born. The toughness of the Turkish soldier and his country's determination to resist Russian domination are legendary. During World War II, the underground in Norway never stopped fighting the Nazis, and Norwegian leaders have said that if the Communists attack Norway there will be a rifle in every window. Within the last 10 years, the Greeks have fought and won a civil war fomented by the Communists inside Greece and supported by Greece's Communist neighbors.

In the conduct of our day-to-day foreign relations, I frequently find myself in disagreement with our allies. That is my business. I represent the American view and they do not always agree with the American view. Frequently, I feel that allied governments are very, very mistaken in things that they say and do. But I never forget that the things we have in common are a great deal more numerous and much more important than the things about which we disagree. It has always been my experience with them that the representatives of the allied governments feel the same way.

Understanding Our Common Interests

If our alliance is to endure and to continue to be an effective instrument in support of peace and freedom, it is vitally important that the peoples—the peoples of both America and Europe—share this understanding of our common interests.

However few they may be, there are still too many Americans who have the mistaken idea that our alliance with Europe is designed solely to protect Europe, just as there are still too many Europeans who believe that America's only interest in Europe is to get bases and cannon fodder for the protection of the United States. Both are wrong. Our partnership is a mutual effort, in every sense of the word. Every member of the alliance gets more out of it than he puts into it.

Because of our wealth and power, a major burden has fallen squarely upon the shoulders of the United States. And it is a burden. It costs money, and it involves inevitable restraints upon our own independence of action. Political leadership in international, as in national, politics, is not so much a function of command as a function of persuasion. We cannot have partners and at the same time act without regard to the interests and opinions of our partners. Our task requires a delicate blending of firmness, patience, endurance, and sympathetic understanding.

Let me make myself quite clear. I do not mean to imply that the United States must always be bound by the views of its allies or must give them an automatic veto over American action. We have global interests and obligations, and we know that the task of leadership involves initiative as well as restraint. The job of the Department of State is to protect the safety and welfare of the American people. We put the interests of America first, and we don't apologize to anyone for doing so.

But it is also essential that we never forget what America's interests really are. Few things are more important to us than a successful working partnership with other free nations. In the long run, the loss of this relationship would almost certainly cost this country millions of lives and untold billions of dollars. We are not serving American interests if we ignore allied interests and thereby risk the dissolution of our alliances. We are not serving American interests if we let trivial differences of opinion or minor conflicts of purpose obscure the need for standing together with our allies against the greatest menace that our common civilization has ever known.

However heavy the burdens of free world leadership may be, we cannot escape these burdens if we prize our own survival. We cannot win the struggle for freedom by running away. We cannot "go it alone," because there is nowhere to go—at least not for very long. If the United States does not provide the leadership required, we can be certain that the Soviet Union will step in to fill the vacuum. And that would be the beginning of a certain end.

We can also be sure that the Soviet leaders themselves fully appreciate the significance of the alliances among free nations. Some Americans may discount the value of these alliances, but

Russia knows better. The Communist masters realize that their best chance to gain world domination is to divide the free world. They understand the unavoidable differences among free societies. They are trying constantly to aggravate and intensify these differences. In this effort they hope to receive the unwitting support of many honest citizens and political groups who are sincerely anti-Communist but who have not yet fully awakened to the facts of life in this modern world. The strategy of "divide and conquer" is as old as time itself, and we can expect the Russians to play this game for everything it is worth.

Our government and the governments of allied nations are fully aware of this Soviet strategy. We are determined to maintain and tighten the bonds that hold us together. We are determined to prove that the voluntary unity of the free world is more powerful than the compulsive unity of the slave world. But, in the last analysis, the maintenance of unity is not a job that can be accomplished by governments and diplomats. It depends upon the attitudes of whole populations.

Now, a final word. No policy can be effective without public understanding and support. You members of the American Legion can do a great deal to foster understanding among the people of this country. You remember that Jesus said, "Ye shall know the truth and the truth shall make you free." If the people of the free world know the truth about the problems and necessities of this perilous age, we need not fear that our freedom will be lost.

Every one of you can help. You can help the people in your own communities to understand more fully the facts upon which our foreign policies are based, and you can help the people to know the truth, so that we may all be free.

Brussels Meeting on EDC

News Conference Statement by Secretary Dulles

Press release 472 dated August 24

I deeply regret that at the Brussels meeting France did not decide to agree with the other five continental countries which signed the EDC Treaty. That treaty embodies principles which are vital to the perpetuation of peace and freedom in Western Europe. However, we can take comfort from the fact that five of the six signatories stood firm for these basic principles, although they were flexible with respect to their implementation.

I am aware of the fact that the treaty has become highly controversial in France, and I do not minimize the difficulties which lie in the way of ratification. However, I still have hope that, when France confronts the ultimate decision, she

will follow her great tradition of idealism, based on a sense of realism, and choose to cement the EDC partnership which is of French conception, rather than stand apart.

Text of Brussels Communiqué

Following is an unofficial translation of the communiqué issued at Brussels on August 22 following the conference held by the Foreign Ministers of Belgium, France, the Federal Republic of Germany, Italy, Luxembourg, and the Netherlands.

The representatives of the six governments signatory to the EDC treaty met at Brussels on August 19, 20, and 22, 1954.

Despite a long discussion on the modifications which, according to the French Government, must be made in the EDC treaty, they have not reached an agreement.

They have noted that the principal aims of their European policy remain unchanged:

—To draw closer European cooperation in order to protect Western Europe against the forces which menace it;

—To avoid any neutralization of Germany;

—To contribute to the unification of Germany and to its participation in the common defense;

—To foreshadow a political and economic formula of western integration.

The Ministers have decided to publish jointly:

(A) The draft protocol applying to EDC presented by the French Government.

(B) The draft declaration for interpreting and applying the EDC treaty, proposed by the foreign ministers of the Federal Republic of Germany, Belgium, Italy, Luxembourg, and the Netherlands, in reply to the French proposals.

Bipartisanship in Foreign Policy

News Conference Statement by Secretary Dulles

Press release 473 dated August 24

This is to me an important anniversary. Ten years ago today I was here in the State Department conferring with Secretary Hull about non-partisanship in foreign policy. In a sense, a new era of bipartisanship then had its birth. Victory in the war, and its opportunities, were in sight. However, there was danger that the opportunities would be lost if the then presidential campaign led to foreign policy being immersed in partisan politics.

Secretary Hull represented President Roosevelt, and I represented Governor Dewey in conversations which Secretary Hull has said made a great

contribution to lifting foreign policy above partisanship. I pay tribute to Secretary Hull's conviction that this was possible. Secretary Hull, I am glad to say, still retains his vast fund of courage and idealism on which I draw when I see him from time to time.

I would like to observe that the nonpartisan approach to foreign policy then begun has continued throughout the ensuing decade. During the period of the Democratic administration, the

Republicans were available for consultation and gave loyal support to resultant policies. I feel that the Democrats have been similarly cooperative during the Eisenhower administration. I myself have maintained close consultation with Congress on a bipartisan basis. We have fully and intimately discussed all phases of foreign policy. We have, I believe, developed a national policy of stability and continuity such as is needed in these dangerous times.

Meeting the Communist Challenge in the Western Hemisphere

by John E. Peurifoy

Ambassador to Guatemala¹

I am happy to have this opportunity to address the American veterans in this annual convention. Your organization is a living body of Americans who, twice in the last 13 years, have given the answer of our people to totalitarian aggression and its challenge to our national security and survival. As one who has seen at first hand, in the past year, the ugliness of the Communist challenge in this hemisphere, nearer to our shores than ever before, I can testify to its vicious threat to freedom. In Guatemala I saw communism crush human liberties and destroy the sovereignty of an independent nation. But I am happy to be able to testify that communism can be defeated, as it was defeated in Guatemala just 2 months ago.

Last year, in October, I was sent by President Eisenhower to represent him as Ambassador in Guatemala. That beautiful country, situated just midway between our southern border and the Panama Canal, was indicated as a nest of Soviet infiltration. The trajectory was already clear—local Communists, faithfully following Moscow's instructions, would obtain control and create the first Soviet satellite government in the New World. Having spent the previous 3 years in Greece, which had been so cruelly mauled by the paws of the Russian bear, I knew the sinister power and deadly danger which communism represents to any country it attacks; but in Greece the Soviet power was at the border, while in Guatemala the Soviet

is 6,000 miles away. How could this threat, you might ask, be brought to bear at such a distance? Well, fundamentally, by placing Communists in key positions in public life and in the government. But how was this accomplished? Well, by a clever and ruthless campaign over a period of 9 years, so successful as to provide a case history in Communist penetration for all nations which are determined to preserve their freedom.

The Communist campaign in Guatemala got under way in 1944, immediately after the overthrow of the long-term dictatorship of General Ubico. A liberal regime swept into power, professing democratic liberties but opening the doors wide to the enemies of democracy, the international Communists. Lombardo Toledano, Moscow's most seasoned agent in the hemisphere, was called from Mexico to organize labor; foreign Communists were welcomed in the government's information and propaganda agencies and in the public educational system; local Communists embarked on the traditional pilgrimages to the Soviet Union and its satellites, returning as trained agents to bore deeply into leftist political parties and front organizations.

Now most of this advance was undercover for 5 years; the Communists denied they were Communists, unwilling to risk identifying themselves before they had wormed their way into control of Guatemalan organizations and political parties. They must first control labor, propaganda, education, and social security, and this they soon did by becoming the loudest, most diligent, and closely knit group working in each of these fields. Next

¹ Address made before AMVETS at Miami Beach, Fla., on August 28 (press release 481 dated Aug. 27).

they must control farm workers and agriculture, and this they did by spearheading the movement for agrarian reform. Finally, they must neutralize and gain influence within leftist political parties, and this they did by supporting their candidates and battling their anti-Communist or conservative opponents.

Exploiting Nationalist Movement

In addition, they had special advantages. The Communists in Guatemala, as elsewhere, work harder, more tenaciously and patiently than others; they also, as elsewhere, enjoyed the material help of Moscow in funds, propaganda, and training; and they seized upon a social reform to exploit a nationalist movement which in Guatemala, as in almost every corner of the world, has arisen to throw off foreign economic privileges and denounce alleged exploitation. American business was their particular target and the attack against it gained the support of blind demagogic nationalism.

The Department of State last month released a pamphlet entitled *Intervention of International Communism in Guatemala*, which contains documents, texts of U.S. statements, and a historical study of the Guatemalan Communist Party. The 96-page pamphlet, Department of State publication 5556, is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. (35 cents).

So in 5 years it became popular in politics to be sympathetic to Communists, if not actually a Communist oneself, and it became unpopular and dangerous to oppose these traitors disguised as national champions. The Communists ran the labor unions; they wrote the Government's propaganda in the press and paid special attention to the radio, which is more important in a country about two-thirds illiterate; they administered the Government's hospitals, child and maternity benefits, and social security system; they supervised teacher training and textbook preparation; they sponsored and then directed the application of the agrarian reform law. Police officials under Communist direction terrorized anti-Communists with beatings, tortures, and even murder. With all these instruments of power in their hands, the Communists asked and obtained legal recognition for their party, thinly veiled as the Guatemalan Labor Party, and they organized a united front of leftist parties in the Congress, with a total of 51 of the 56 seats, or a political advantage of 10 to 1. None of the other three parties opposed the Communists, but seemed mesmerized by the Com-

munist spell; one of their deputies openly declared in October of last year that all these parties would soon disappear to form one single Communist Party.

Accurate Analysis by Foreign Service

This pattern of Communist infiltration was already defined in 1953. The reports of our Foreign Service, which I reviewed in Washington, clearly recorded and accurately analyzed the steady increase of Communist strength. Let there be no misunderstanding of this point—the danger was foreseen and realistically evaluated. What remained was a course of action to arrest the danger and eliminate it.

The first recourse was considered to be to President Arbenz. A young military man, some people doubted that he could support the Communists in his government, even though he had never lifted a finger against them. Within a month after I had formally presented my credentials, I had my first chance to go to the mat with him on the issue. In a 6-hour conversation he listened while I counted off the leading Communists in his regime, but he gave no ground; many notorious Reds he denied to be Communists; if they were, they were not dangerous; if dangerous, he could control them; if not controllable, he would round them up. He said, in any case, all our difficulties were due to the malpractices of American business. The trips of Communists to Russia were not to get training and instructions, he said, but merely to study Marxism, just in the same way as other Guatemalans may come to the United States to study economics. Meanwhile, they would continue to enjoy the full advantages accorded all Guatemalans, as they were valuable allies to him in the fight for social reform. Few then knew, as we know now, that Arbenz' personal library in the Palace housed a fine collection of Marxist and Communist works, some inscribed to him by his Communist friends. But it seemed to me that the man thought like a Communist and talked like a Communist, and if not actually one, would do until one came along. I so reported to Secretary Dulles, who informed the President; and I expressed to them the view that unless the Communist influences in Guatemala were counteracted, Guatemala would within 6 months fall completely under Communist control.

There was good reason and sound historical precedent for holding that the extensive Communist penetration of Guatemala called for action. The reason was our own safety, and the security of our neighbors in this hemisphere; for a Soviet thrust into Central America would endanger our vital Caribbean zone of defense, as well as disrupt the unity of the Americas against Communist aggression. The sound historical

precedent lay in the Monroe Doctrine, one of the earliest foundation stones of our foreign policy.

In the onward rush of world events today, we may forget precisely what the Monroe Doctrine was and why its principles still serve to protect us. The Monroe Doctrine said two things: first, that any further attempts of the European powers to extend their colonies in this hemisphere would be viewed by the United States as an unfriendly act; and second, that European despots could not extend their political system to any portion of either continent without endangering our peace and safety, which we would not behold with indifference. Now, the intervention of international communism in the Americas, if it does not actually extend here a Soviet colony (which is what all Soviet satellites really are), certainly would extend the Soviet political system to this continent. It follows with equal certainty that this intervention would endanger our peace and happiness and would not be viewed with indifference.

On this fundamental basis of defense of the security of ourselves and the hemisphere, we sought to apply the principles stated in the Monroe Doctrine to the present challenge, the same as they had been applied to another Russian challenge, that of Czar Alexander in 1823. The inter-American system of mutual defense, which was carefully built up over the years on the ideals of Pan-Americanism, has proven a bulwark of the Western Hemisphere against worldwide aggression. The problem was not one for us alone, but for all the Americas, and we sought an inter-American solution.

Seeking an Inter-American Solution

The Tenth Inter-American Conference, called at Caracas in March of this year, provided a clear opportunity for the Americas to cooperate on the solution. With Guatemala alone opposing, the Conference declared that the intervention of international communism in any American State, resulting in its domination or control of the political institutions of that State, would endanger the peace and call for the application of existing treaties. What are those treaties? First and foremost, the Rio Treaty of 1947, which binds the American Republics to take action against a danger to the peace. What action? Economic in the first instance, but military if necessary; but in any case, united action in the interests of reciprocal defense. And how would this apply to Guatemala? It would mean that Soviet Communist control of its government, then so imminent, would be met as a threat to the peace of the hemisphere, by joint action determined to end it.

It was inevitable that the Communists should oppose the resolution proposed at Caracas. The chief delegate from the Arbenz government, acting as a mouthpiece for Communist propaganda,

facetiously asked "What is international communism?" Secretary Dulles answered him in strong and vibrant tones:

International communism is that far-flung clandestine political organization which is operated by the leaders of the Communist Party of the Soviet Union. Since 1939, it has brought fifteen once independent nations into a state of abject servitude. It has a hard core of agents in practically every country of the world. The total constitutes not a theory, not a doctrine, but an aggressive, tough, political force, backed by great resources, and serving the most ruthless empire of modern times.²

Thus, guiding principles of the Monroe Doctrine of 1823 were translated into a mid-twentieth century decision of 20 sovereign States. The action taken at Caracas was in full support of the dedication of all the American States to nonintervention, to the respect which the inter-American system holds for the independence of large and small nations; we had confronted the Soviet technique of internal subversion as the means to seizure of power, and we had met the challenge resolutely.

You recall the Soviet response. Determined to push through its thrust into Guatemala before the inter-American machinery could be invoked against it, the Communist conspiracy last April loaded up a ship with 2,000 tons of arms at Stettin, a Communist-controlled port on the Baltic, and sent it through to Guatemala, where it arrived last May 15. But this bold bid for Communist power missed fire. It aroused the entire continent to the reality of Moscow's hostile intent, and led to a call for a meeting of American Foreign Ministers under the Rio Treaty, to be held at Rio de Janeiro early in July. Before that date could arrive, however, the Guatemalan people themselves rose up and gave their support to a courageous leader, Col. Carlos Castillo Armas, in a brief encounter which pushed Arbenz' Communist clique from the seats of power they had so brazenly arrogated to themselves.

If anyone ever doubted that the people of Guatemala detested communism, he should have seen the faces of the people when Arbenz quit and when the liberators of the nation arrived in Guatemala City. Crowds never before assembled in Guatemala's history thronged the streets and squares in spontaneous demonstrations of unrestrained patriotic joy. The liberation broke shackles on public opinion, which had been forced to adopt a false anti-Americanism, and from all sides we received expressions of Guatemalan friendship. One of the most touching of recent demonstrations was that by 400 Guatemalans in front of the American Embassy, bravely lifting their voices in the words and music of the "Star Spangled Banner."

The carefully contrived Communist machine collapsed overnight; its leaders ran, snatching on the way as much cash as they could from the public

² BULLETIN of Mar. 22, 1954, p. 419.

till. Much remains to be done in Guatemala before the Communist cancer is eradicated, for although the external growth has been cut out, its roots, nurtured for 9 years, are sunk insidiously into the national lifeblood of education, social philosophy, and labor organization. We can take hope and confidence, however, that the final job will be firmly and thoroughly accomplished.

The task of liberation of Guatemala from communism was carried out by the Guatemalan people themselves, fortified by the determination of the Western Hemisphere to rid our American homelands of this poisonous virus. The will of the Guatemalan people responded quickly to the standard against communism which was raised at Caracas in March and was about to be invoked at Rio de Janeiro in July. Our faith in the inter-American system as a safeguard of the security of the Americas was abundantly justified, and the confidence of our neighbors in our respect for inter-American procedures was renewed.

In proving that communism can be defeated, we relied on the traditional American principle of honesty in the conduct of foreign affairs and the American doctrine of continental liberty from despotic intervention, first enunciated by President Monroe 131 years ago. We have new cause to be proud of our heritage of freedom and to be grateful for the splendid leadership of President Eisenhower and Secretary Dulles in guiding our Nation through difficult years by the light of historic beacons.

Assistant Secretary Holland To Visit South America

The Department of State announced on August 27 (press release 482) that Henry F. Holland, Assistant Secretary for Inter-American Affairs, would depart September 5 on a courtesy visit which will take him to 10 Latin American countries. The countries which he will visit are Venezuela, Brazil, Uruguay, Paraguay, Argentina, Chile, Bolivia, Peru, Ecuador, and Colombia. He is scheduled to return to the United States October 10.

The Assistant Secretary will meet with high government officials of the countries which he is to visit and with leaders and representatives in labor, industry, agriculture, and the professions. He will renew friendships with those with whom he worked at the inter-American Conference at Caracas last March.

Assistance to Viet-Nam Refugees

White House press release dated August 22

The cease-fire agreement which terminated hostilities in Viet-Nam provided that persons on either side of the dividing line, which is roughly at the 17th parallel of latitude, would be free to move to places of their own choice. Very soon all of North Viet-Nam, which includes the Delta of the Red River otherwise known as Tonkin, will be handed over provisionally to the Viet Minh Government of Ho Chi Minh.

Thousands of refugees of Tonkin, fearful of being placed under the Communist yoke, are moving outward to Free Viet-Nam. The French Government has offered transport to these evacuees, and both the French Navy and Air Force are doing what they can to carry out this movement.

The French Air Force is presently lifting approximately 3,400 evacuees a day from airfields at Hanoi and Haiphong to the Saigon area. Likewise the French Navy is carrying refugees and at the same time transporting French expeditionary forces to Saigon.

However, the number of refugees has so increased that both the French authorities and Vietnamese Government have asked additional assistance of the United States in transporting these Vietnamese citizens who prefer to give up their homes in order to remain free.

The United States promptly agreed to their request. The French and Vietnamese authorities retain complete responsibility for the care of Vietnamese citizens who choose to leave the Delta area. The United States is providing ships to help transport refugees and, in addition, is furnishing some tentage and other supplies to better enable the French and Vietnamese officials ashore to take care of the refugees.

It is estimated that at least 200,000 civilian refugees must be moved from Hanoi or Haiphong before September 10.

The Commander in Chief, Pacific, Admiral Felix Stump, has instructed the Fifth Amphibious Group of the Western Pacific Fleet to assist in the transportation from Haiphong to points in South and Central Viet-Nam a total of between 80,000 and 100,000 refugees. The majority of refugees will probably be moved by LST's. In order to help expedite this movement, however, transport vessels and commercial freighters of the Military Sea Transport Service were dispatched earlier under the command of Rear Admiral Lorenzo Sabin and are already loading refugees at Haiphong. Several thousands of Vietnamese have already been evacuated by this service.

Fortunately, Free Viet-Nam is a country with ample land resources for the resettlement of almost any number of Vietnamese who desire to flee from Communist domination. In the rich rice lands of the Mekong River Delta and the high lands of South Viet-Nam there is surplus land where the Tonkinese farmers can reestablish new homesteads and work out new lives in freedom.

The United States will continue to assist the Vietnamese Government, headed by Prime Minister Ngo Dinh Diem, in their humanitarian endeavor to bring the Vietnamese to Free Viet-Nam.

It is noteworthy that, although Vietnamese from Tonkin are clamoring to leave the area, soon to be under Communist rule, no Viet Minh adherents from Free Viet-Nam have clamored to be transported north to settle in that area under the Government of Ho Chi Minh.

Transfer of Administrative Control of Area in Korea

Following is the text of the letter sent on August 12 by Gen. John E. Hull, U.N. Commander, to President Syngman Rhee of the Republic of Korea, together with the text of a resolution adopted on August 9 by the U. N. Commission for the Unification and Rehabilitation of Korea (UNCURK).

General Hull to President Rhee

DEAR MR. PRESIDENT: On 11 March 1954 the United Nations Command took action to permit resettlement of farmers in the area north of the 38th parallel under Eighth Army control. You were advised of such action by a letter from General Taylor¹ of the same date.

In order to permit the civil population in this area, liberated from Communist domination, to enjoy the benefits of civil government under the administration of the Republic of Korea and to secure for this area educational, health and other services of the Republic of Korea, and noting with gratification resolution of the United Nations Commission for the Unification and Rehabilitation of Korea concerning advisability of transfer of administrative control of this area, I wish to inform you that, on authority of the Unified Command, the United Nations Command is prepared to turn over to the Republic of Korea administrative control over the area north of the 38th parallel which is now under military occupation by the United Nations Command.

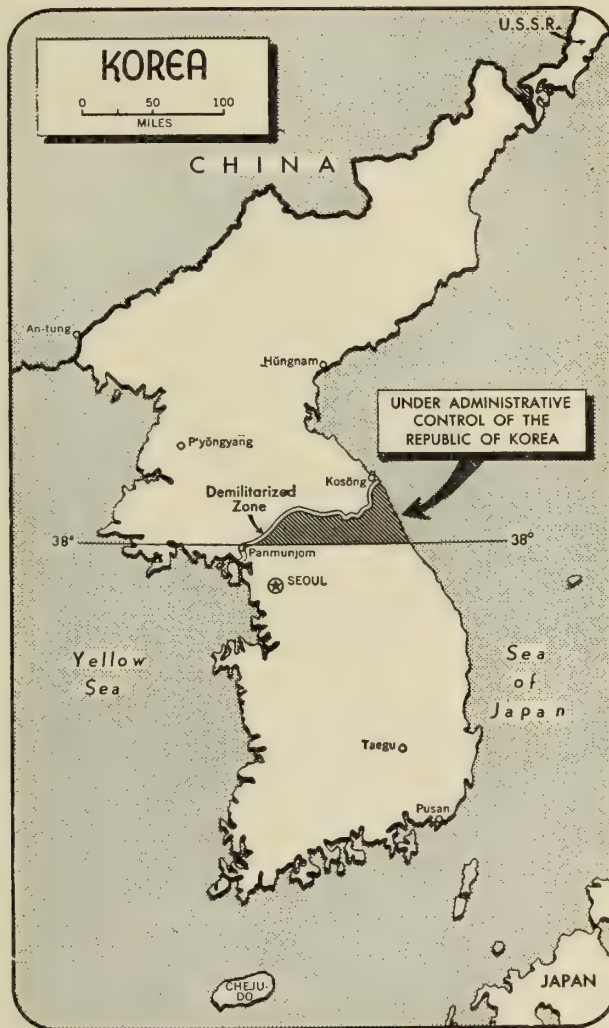
This transfer of administrative control is not to be construed to affect the future status of the area in question.

¹ Gen. Maxwell D. Taylor, Eighth Army Commander.

It is suggested that specific plans for the transfer of administrative control of this area to your government be developed between General Taylor and your designated representatives as soon as practicable.

Sincerely yours,

J. E. HULL,
General, United States Army.



UNCURK Resolution

Recalling the resolution of the Interim Committee on Korea of 12 October 1950, subsequently endorsed by UNCURK, which advised the Unified Command to assume provisionally all responsibilities for government and civil administration of areas north of the thirty-eighth parallel which might come under occupation by United Nations Forces and over which the United Nations had not recognized any Government as having legal and effective control, pending consideration by UNCURK in the light of its responsibility for establishing a unified, independent, and democratic Government of all Korea;

Noting that the Unified Command has, through the United Nations Command, administered in accordance

with that resolution the small area north of the thirty-eighth parallel which has been under United Nations control since 1951;

Considering that the cessation of hostilities consequent upon the conclusion of the Armistice Agreement on 27 July 1953 has enabled the United Nations Command to develop civilian resettlement of that area, so far as possible with original inhabitants who have been living as refugees in South Korea, under a program viewed favorably by the Commission as a means of relieving the refugee problem and assisting the economy;

Recognizing that the civilian population has now grown to some 130,000 in this area of approximately 2,300 square miles and has created an increasingly large and complex administrative task which needs the facilities of civil administration;

Bearing in mind that the United Nations Command has in consequence indicated to the Commission that it now wishes to be relieved of responsibility for an administration which it considers it is not organized to carry out;

Believing that in any event it is undesirable to keep a civil population under military administration for a prolonged period after hostilities have ceased;

Considering that this problem can be appropriately resolved by transferring administrative control to the Government of the Republic of Korea; and

Further considering that such transfer of administrative control will be without prejudice to the final disposition of the territory and will not adversely affect any future negotiations for a settlement of the Korean question;

Recommends that the Unified Command transfer, as soon as practicable, administrative control over the areas north of the thirty-eighth parallel and south of the demilitarized zone now under United Nations control to the Government of the Republic of Korea.

Agreement With Pakistan On Emergency Flood Relief

Press release 469 dated August 21

The Governments of the United States and Pakistan on August 23 signed an agreement covering the extension of emergency assistance by the United States to help relieve the present flood disaster in East Pakistan. This assistance includes personnel, medicines and equipment, and agricultural and other supplies for the flood relief operation.

Some 10 million people are estimated to be affected so far. Reports also indicate that at least one-third of East Pakistan's 54,000 square miles have been under water and that the afflicted area constitutes the most fertile and heavily populated lands of the province.

Internal communications have completely broken down, and a despatch from the U. S. consulate at Dacca states that "it is impossible to know how many people are homeless, much less how many are drowned."

Of primary immediate importance is the imminent danger of epidemics after the water recedes.

Already the United States has been cooperating with the Government of Pakistan in flood relief measures. The Foreign Operations Administra-

tion, the Department of Defense, and the Public Health Service of the Department of Health, Education, and Welfare have combined to send to the stricken area medical personnel and supplies, now helping the Pakistan Government in its relief efforts.¹ Medicines and other supplies have also been furnished by the American Red Cross. It is expected that the Department of Agriculture will shortly play an important role in this operation.

The agreement was signed for the United States by Henry A. Byroade, Assistant Secretary for Near Eastern, South Asian and African Affairs, and for the Government of Pakistan by Syed Amjad Ali, Pakistan's Ambassador to the United States.

Message from Governor General

White House press release dated August 25

The President on August 25 received the following message from Ghulam Mohammad, Governor General of Pakistan:

On behalf of the Government and the people of Pakistan and on my own behalf I offer you our sincere thanks for kindly despatching to East Pakistan so promptly relief in men, medicine and stores to cope with the calamity caused by the disastrous floods. For your noble gesture and its timing we are all deeply grateful. Coming as it does from the United States, the country to which we are bound by close ties of friendship, it is all the more welcome.

Yugoslav Government Accepts Offer of Flood Assistance

White House press release dated August 24

Following is the text of a statement issued on August 24 at Lowry Air Force Base, Denver, Colo., by James C. Hagerty, Press Secretary to the President.

The President has been informed that the Yugoslav Government has accepted his offer of help to the flood victims of that country. Yugoslavia has experienced two flood crises within the last three months and only now has been able to estimate the extent of the damage.

The President is gratified that through the acceptance of his offer some assistance may be made available quickly to the needy in the disaster area. The League of Red Cross Societies has been requested to get in touch with the Yugoslav Red Cross to work out the necessary details.

¹ BULLETIN of Aug. 30, 1954, p. 295.

Tenth Anniversary of Rumanian Coup d'Etat

Statement by Secretary Dulles

Press release 470 dated August 23

Ten years ago today the Rumanian people, under the leadership of their King and of the heads of the country's democratic parties, freed themselves from Nazi domination and joined the Allies in the final decisive struggle for liberty. In the Royal Proclamation of August 23, 1944, King Mihai I stated that "the new government marks the beginning of an era in which the rights and liberties of all citizens will be respected."

These promising beginnings were halted on March 6, 1945, when the Soviet Government, in violation of its solemn undertakings, intervened in Rumanian affairs and installed the first of a series of puppet governments which have existed in that captive country until today.

The Communist rulers of Rumania have persistently sought to take over this national holiday and make it their own. The grim irony of this attempt is evident when it is recalled that not only did the Communists contribute nothing to the courageous action of August 23, 1944, but also that they have exiled or imprisoned all the political leaders who organized and carried out that historic step and have systematically suppressed all human rights and freedoms.

The travesty which the Communist regime seeks to perpetrate cannot deceive the people of Rumania. Likewise, it should not blind the free world to the true significance of this date, or prevent our paying tribute to the fortitude and deep love of liberty of the Rumanian people.

Duties on Lead and Zinc Not To Be Increased

White House press release dated August 20

The President on August 20 outlined an expanded stockpiling program for strengthening the lead and zinc industry as an integral part of the Nation's defense mobilization base. The President took this action in lieu of accepting the recommendations of the U. S. Tariff Commission for an increase in the duty on imports of these two metals.

In letters to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee describing his program and explaining his decision on the Tariff Commission's recommendations, the President said that "a serious question exists as to the magnitude of the direct benefits that could be expected from the recommended tariff increases" and that "since the

benefits to be derived from an increase of the tariff on lead and zinc are so uncertain, I am not prepared to seek them at the expense of the serious adverse consequences that would follow for our international relations."

The President stated that he is "taking affirmative steps at this time to strengthen and protect our domestic mobilization base for lead and zinc."

These steps are:

1. Increased purchases at market prices of newly mined domestic lead and zinc under the long-term stockpile program. In this fiscal year the government could purchase up to 200,000 tons of lead and 300,000 tons of zinc.

2. The acquisition of lead and zinc of foreign origin for the supplemental stockpile authorized by the recently enacted Agricultural Trade Development and Assistance Act.

3. Action by the Secretary of State to seek recognition by the foreign countries which are principal suppliers of lead and zinc that this increased stockpile buying is designed to help domestic production.

The President said, "The outlook for lead and zinc is improved." He noted that there were some excess stocks at present but said that "it appears that these inventories can be reduced by stockpiling purchases together with a high rate of consumption which is indicated by the general economic outlook." "In addition," the President said, "the volume of imports thus far this year has been considerably lower than the rate during 1953."

The President concluded his letters by saying that if the course of action he is taking does not accomplish the objectives he seeks, he "will be prepared early next year to consider even more far reaching measures, and to make appropriate recommendations to the Congress."

Text of the President's Letters¹

DEAR MR. CHAIRMAN: In my letter to you of July 19, 1954,² I indicated that I was extending somewhat the period of my consideration of the recommendations of the United States Tariff Commission with respect to the escape clause investigation relating to lead and zinc.

Readjustment from war-stimulated levels of prices and production has imposed severe strain on many segments of mining, agriculture and industry. In the case of lead and zinc this readjustment has produced unemployment for miners in some areas and hardship for their families. Some communities in mining states are distressed.

¹ Addressed to Chairman Eugene D. Millikin of the Senate Finance Committee and Chairman Daniel A. Reed of the House Ways and Means Committee.

² Not printed.

An adequate mobilization base is not being maintained.

During the past several weeks, I have held many long meetings with Cabinet officers, members of the Congress, and other informed persons. It is my belief that we must maintain a strong and vigorous domestic mining industry for the production of strategic and critical materials which have important defense uses, and that this should be done in a manner consistent with our general economic and foreign policy objectives.

After a thorough review of the lead-zinc problem, I am convinced that a serious question exists as to the magnitude of the direct benefits that could be expected from the recommended tariff increases. The increase in duties would probably have only a minor effect on the price of lead and zinc in this country. There is a real question as to whether the tariff action would have important consequences in reopening closed mines. Moreover, the increase in the tariff would most likely depress the prices of these metals outside the United States.

Since the benefits to be derived from the increase of the tariff on lead and zinc are so uncertain, I am not prepared to seek them at the expense of the serious adverse consequences that would follow for our international relations. Lead and zinc are important to several key countries in areas of vital interest. Moreover, it must be recognized that our economy requires substantial quantities of imported lead and zinc to augment domestic production in peace-time, and that the United States relies on nearby friendly nations to assist us in meeting fully our mobilization requirements in wartime.

The Tariff Commission has made a thorough study of the lead and zinc problem but I recognize that it must necessarily confine its consideration within a limited field. Accordingly, after a careful weighing of all of the factors involved in this complex situation, I have decided that to implement the recommendations of the Tariff Commission would not meet the problem nor be in the public interest. However, I am taking affirmative steps at this time to strengthen and protect our domestic mobilization base for lead and zinc.

I am directing the Director of the Office of Defense Mobilization to increase purchases at market prices of newly mined domestic lead and zinc under the long-term stockpile program. The Government is in a position where it could purchase in this fiscal year up to 200,000 tons of lead and 300,000 tons of zinc.

I am likewise directing the Secretary of Agriculture to initiate action designed to acquire lead and zinc of foreign origin, from the proceeds of foreign sales of surplus agricultural commodities, for the supplemental stockpile authorized by Section 104 of the Agricultural Trade Development and Assistance Act of 1954. This supplemental

stockpile is intended to be above and beyond the needs of our regular stockpiles under the Stockpiling Act, and the materials in the supplemental stockpile will also be insulated to be released only under stringent statutory conditions.

In addition, I am directing the Secretary of State to seek recognition by the foreign countries which are principal suppliers of lead and zinc that this increased stockpile buying is designed to help domestic production and that they will not themselves seek to take any unfair advantage of it.

It is my belief that the above actions will help bring about the attainment of market prices for lead and zinc that are sufficient to maintain an adequate domestic mobilization base.

The outlook for lead and zinc is improved. There have been some increases in prices since early in the year. There are some excess stocks at present, notably in the case of zinc, but it appears that these inventories can be reduced by stockpiling purchases together with a high rate of consumption which is indicated by the general economic outlook. In addition, the volume of imports thus far this year has been considerably lower than the rate during 1953.

If the course of action above outlined has not accomplished the objectives we seek, I will be prepared early next year to consider even more far reaching measures, and to make appropriate recommendations to the Congress.

President Requests Studies of Barley and Oats Imports

EFFECTS OF BARLEY IMPORTS ON DOMESTIC PRICE-SUPPORT PROGRAM

White House press release dated August 20

The President on August 20 directed the U.S. Tariff Commission to make an immediate investigation of the effects of barley imports, hulled or unhulled and including rolled barley, ground barley and barley malt, on the domestic price-support program for barley, and on the amount of products processed in the United States from domestic barley.

The President, having been advised by the Secretary of Agriculture, directed the Tariff Commission to make the investigation as provided under section 22 of the Agricultural Adjustment Act, as amended.

Text of the President's Letter to Chairman of Tariff Commission¹

DEAR MR. CHAIRMAN: I have been advised by the Secretary of Agriculture that he has reason to

¹ Edgar B. Brossard.

believe that barley, hulled or unhulled, including rolled barley and ground barley, and barley malt are being imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the price-support program for barley undertaken by the Department of Agriculture pursuant to sections 301 and 401 of the Agricultural Act of 1949, as amended, or to reduce substantially the amount of products processed from domestic barley with respect to which such program of the Department of Agriculture is being undertaken.

Accordingly, I hereby direct the Tariff Commission to make an immediate investigation in accordance with Executive Order Number 7233, dated November 23, 1935, promulgating regulations covering investigations under section 22 of the Agricultural Adjustment Act, as amended, for the purpose of determining and reporting to me at the earliest practicable date whether barley, hulled or unhulled, including rolled barley and ground barley, and barley malt are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the above-mentioned price-support program for barley or to reduce substantially the amount of products processed in the United States from domestic barley with respect to which such program is being undertaken.

SECOND INVESTIGATION OF EFFECTS OF OATS IMPORTS

White House press release dated August 20

The President on August 20 directed the U.S. Tariff Commission to make a second investigation of the effects of imports of oats, hulled and unhulled and including unhulled ground oats, on the domestic price-support program for oats and on the amount of products processed in the United States from domestic oats.

This second action on oats by the Tariff Commission was requested by the President so that he might determine whether it will be necessary to continue limitations on certain imports of hulled and unhulled oats and unhulled ground oats after September 30, 1954, the date on which the limitations presently in effect will expire in accordance with the President's proclamation of December 26, 1953.²

The President, having been advised by the Secretary of Agriculture, directed the Tariff Commission to make the new investigation as provided under Section 22 of the Agricultural Adjustment Act, as amended.

² BULLETIN of Jan. 11, 1954, p. 57.

Text of the President's Letter

DEAR MR. CHAIRMAN: On December 26, 1953, I issued a proclamation limiting certain imports of hulled and unhulled oats and unhulled ground oats entered, or withdrawn from warehouse, for consumption during the period December 23, 1953, to September 30, 1954, inclusive, to 2,500,000 bushels. This action was taken on the basis of an investigation and report to the President by the Tariff Commission, pursuant to section 22 of the Agricultural Adjustment Act, as amended, in order to prevent material interference with the price-support program for oats undertaken by the Department of Agriculture pursuant to sections 301 and 401 of the Agricultural Act of 1949, as amended.

I have been advised by the Secretary of Agriculture that he has reason to believe that hulled and unhulled oats and unhulled ground oats are practically certain to be imported into the United States after September 30, 1954, under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the price-support program for oats undertaken by that Department pursuant to the above-mentioned provisions of the Agricultural Act of 1949, as amended, or to reduce substantially the amount of products processed in the United States from domestic oats with respect to which such program of the Department of Agriculture is being undertaken.

Accordingly, pursuant to section 22 (a) of the Agricultural Adjustment Act, as amended, I hereby direct that the Tariff Commission make an immediate investigation in accordance with Executive Order Number 7233, dated November 23, 1935, promulgating regulations covering investigations under the said section 22, for the purpose of determining and reporting to me at the earliest practicable date whether hulled and unhulled oats and unhulled ground oats are practically certain to be imported into the United States after September 30, 1954, under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the above-mentioned price-support program for oats, or to reduce substantially the amount of products processed in the United States from domestic oats with respect to which such program is being undertaken.

In expediting its investigation and report, the Commission should have in mind that the present import restrictions under section 22 will terminate on September 30, 1954.

Appointment to Berlin Court

The Department of State announced on August 27 (press release 479) the appointment of Frederic R. Sanborn as the United States member of the Supreme Restitution Court for Berlin. This

Court was set up by international agreement to pass on cases of restitution of property to persons deprived of such property by the Nazi regime. The Court is composed of three German judges, one British, one French, and one American judge, and a neutral President. It is the final court of action on restitution matters in Berlin.

FOA Medical Programs

Indonesian Medical School

A 3-year Foa-sponsored contract by which the University of California will assist the University of Indonesia in developing and strengthening its medical school was announced on August 6.

The Foreign Operations Administration has authorized \$452,949 to finance the first 2 years of the \$692,000 contract between the universities. Under Director Harold E. Stassen, Foa has expanded use of American colleges in the overseas program of technical cooperation. At the beginning of July Foa had 37 contracts employing talents and services of 30 American schools in 20 countries of Asia, Africa, Europe, and Latin America.

The ultimate objective of the program in which the University of California is cooperating is to improve the health of Indonesia's 80 million population, which has only 1,200 qualified doctors, or one doctor to 66,000 persons as compared with one doctor to 800 persons in the U.S. Most of the Indonesian doctors are concentrated in urban areas. In remote parts of the country great numbers of people have no doctor available.

The medical schools of Indonesia are presently training only about 50 doctors annually, too few to replace those who leave medical practice each year through retirement or death. The strengthening of the University of Indonesia medical school is expected to stimulate development of additional medical training and provide the greater numbers of physicians needed in Indonesia.

An affiliation between the California and Indonesian medical schools has been developing since 1952. Five physicians from Indonesia are now training in the United States, and two professors—a pharmacologist and a pathologist—from the United States have been added to the medical faculty at the University of Indonesia.

The project provides for the University of California to send 10 professors to serve as staff advisers at the Indonesia medical school. It is contemplated that medical education specialists in the following fields will be sent to Indonesia during the period of the contract: biochemistry, pathology, physiology, anatomy, pharmacology, and medical science.

The project also provides for 1 year's training in their specialties for seven Indonesian members of the faculty of the medical school, at either the

University of California or another suitable institution. Upon their return they will be assigned as instructors in their fields at the Indonesia medical school. In addition, it is proposed to send four leading faculty members of the school of medicine for 4 months' advanced study of medical training in various centers throughout the United States. Equipment and supplies costing approximately \$20,000 will be provided under the contract to supplement facilities of the Indonesia medical school for effective instruction.

The Indonesian Government will furnish the local staff, buildings, and facilities and will defray the local currency costs of the project. It will also provide additional fellowships for training abroad of members of the medical faculty.

Indonesia is made up of about 3,000 islands, with a total land area approximating 40 percent of that of the United States stretching 3,000 miles along the equator. It obtained its complete independence in December 1949.

In the last 4 years the United States has channeled \$23 million in technical and economic assistance to the new nation. The technical cooperation program is focused on increasing agricultural and fisheries production, the training of medical and public health personnel, malaria control, and the expansion of vocational and industrial training facilities. Emphasis has been placed on technical assistance and training with minimum supporting supplies and equipment.

Program for Latin American Health

The Foreign Operations Administration on August 6 announced a program, to be conducted by the American Hospital Association, for strengthening public health in Latin America through improved hospital care.

The program is designed to promote better techniques of hospital organization and administration through inter-American meetings and institutes and by providing technical material and the service of consultants.

The Foa contract with the hospital association provides for financing of program and administrative costs up to \$100,000 for the first 2 years of the activity, with an additional \$50,000 for a third year if funds are available.

The joint program is expected to maintain closer relationships among hospital personnel in the Americas, encourage the exchange of ideas and experience, help improve hospitals and their services and in general promote cooperative efforts and hemispheric solidarity.

The nonprofit hospital group will plan and carry out the combined educational and business meetings in selected areas of Latin America and conduct at least one major institute a year. Establishment of an inter-American hospital conference and an inter-American congress of hospitals is envisaged in the contract agreement.

The American Hospital Association will establish an advisory committee composed of representatives of national and international organizations in the field of hospital care which will furnish policy guidance for the full-time program staff.

Postgraduate Study for European Doctors

The Foreign Operations Administration announced on August 9 that about 100 European physicians will be brought to the United States for postgraduate training in a move to stimulate exchange of scientific medical information with Western European countries.

The American College of Surgeons will operate

the program for the Foreign Operations Administration. The men to be brought to the United States will include eminent specialists and medical scientists and also younger men who show special promise in the profession. The European doctors will engage in graduate study and research in American universities and medical laboratories as well as internship and practice in hospitals here.

Foa will finance the dollar program and administrative expenses, up to a maximum of \$480,500, for an 18-month period covered by the contract with the American College of Surgeons. The countries participating in the program will arrange for payment of trans-Atlantic transportation and other costs payable in foreign currencies.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of Meetings¹

Adjourned During August 1954

Ecosoc: 18th Session of the Council	Geneva	June 29-Aug. 7
World Power Conference: Sectional Meeting	Rio de Janeiro	July 25-Aug. 8
GATT <i>Ad Hoc</i> Committee for Agenda and Intersessional Business	Geneva	July 26-Aug. 3
Third Inter-American Indian Conference	La Paz	Aug. 2-12
Fao Caribbean Agricultural Extension Development Center	Jamaica	Aug. 5-10
Inter-American Tropical Tuna Commission: 4th Annual Meeting	San José	Aug. 11-12
Tenth World's Poultry Congress	Edinburgh	Aug. 13-21
Fifth World Assembly of the World Organization for Early Childhood Education	Copenhagen	Aug. 15-22
International Congress on Folklore	São Paulo	Aug. 16-22
International Congress of Soil Science: 5th Congress	Léopoldville	Aug. 16-22
31st International Congress of Americanists	São Paulo	Aug. 23-28
Second International Congress of Classical Studies	Copenhagen	Aug. 23-28

In Session as of August 31, 1954

XXVIIth Art Biennale	Venice	June -
XVth International Exhibition of Cinematographic Art	Venice	July 6-
Unesco International Seminar on Adult Education in Rural Areas	Denmark	Aug. 14-
U.N. Committee on Information from Non-Self-Governing Territories: 5th Session	New York	Aug. 20-
International Exposition and Trade Fair	São Paulo	Aug. 21-
Eighth Edinburgh Film Festival	Edinburgh	Aug. 22-
International Scientific Radio Union: 11th General Assembly	The Hague	Aug. 23-
Congress of the Life-Saving Federation	Algiers	Aug. 24-
WMO Executive Committee: Fifth Session	Geneva	Aug. 25-
43rd Conference of the Interparliamentary Union	Vienna	Aug. 27-

¹ Prepared in the Office of International Conferences August 24, 1954. Asterisks indicate tentative dates. Following is a list of abbreviations: Ecosoc, U. N. Economic and Social Council; GATT, General Agreement on Tariffs and Trade; Fao, Food and Agriculture Organization; Unesco, United Nations Educational, Scientific and Cultural Organization; U. N., United Nations; Wmo, World Meteorological Organization; Who, World Health Organization; Icao, International Civil Aviation Organization; Itu, International Telecommunication Union; Ccra, International Radio Consultative Committee (*Comité consultatif internationale des radio communications*); Paso, Pan American Sanitary Organization; Ecafe, Economic Commission for Asia and the Far East; Ilo, International Labor Organization; IceM, Intergovernmental Committee for European Migration; Paigh, Pan American Institute of Geography and History.

In Session as of August 31, 1954—Continued

UNESCO Regional Seminar on the Arts and Crafts in General Education and Community Life.	Tokyo	Aug. 28-
U.N. World Conference on Population	Rome	Aug. 31-
Second General Assembly of the International Mathematical Union . .	The Hague	Aug. 31-

Scheduled September 1–November 30, 1954

8th International Congress of the International Society of Cell Biology.	Leiden	Sept. 1-
FAO Third Regional Meeting on Food and Agricultural Programs and Outlook in Latin America.	Buenos Aires	Sept. 1-
International Electrotechnical Commission; 50th Anniversary Meeting.	Philadelphia	Sept. 1-
First International Congress and Second International Seminar on Vocational Guidance.	Bonn	Sept. 1-
International Congress of Mathematicians	Amsterdam	Sept. 2-
Meeting on the Southeast Asia Pact	Manila	Sept. 6-
International Sugar Council: Executive Committee Meeting	London	Sept. 6-
ICAO Legal Committee: 10th Session	Montreal	Sept. 7-
International Sugar Council: Statistical Committee Meeting	London	Sept. 7-
International Sugar Council: First Meeting of the Second Session . .	London	Sept. 8-
WHO Regional Committee for the Western Pacific: 5th Session . . .	Manila	Sept. 10-
ITU CCIR: Study Group IX	Geneva	Sept. 10-
27th International Congress of Industrial Chemistry	Brussels	Sept. 11-
UNESCO International Seminar for Museum Staff and Educators . .	Athens	Sept. 12-
5th Meeting of the International Scientific Committee for Trypanosomiasis Research.	Pretoria	Sept. 13-
10th General Assembly of the International Union of Geodesy and Geophysics.	Rome	Sept. 14-
Meeting of Permanent Council of the International Technical Committee for the Prevention and Extinguishing of Fire.	Rouen	Sept. 16-
International Federation for Documentation: 21st Conference	Belgrade	Sept. 19-
Consultative Committee on Economic Development in South and Southeast Asia ("Colombo Plan").	Ottawa	Sept. 20-
FAO Committee on Commodity Problems: 24th Session	Rome	Sept. 20-
IX International Exposition of Preserved Foodstuffs and Packing . .	Parma, Italy	Sept. 20-
U.N. General Assembly: Ninth Session	New York	Sept. 21-
International Bank for Reconstruction and Development—and International Monetary Fund: 9th Annual Meeting of Boards of Governors.	Washington	Sept. 24-
4th International Exposition of Cotton, Rayon, Textile Chemistry and Machinery.	Busto Arsizio (Italy)	Sept. 26-
FAO Council: 20th Session	Rome	Sept. 27-
ICAO Council: 23rd Session	Montreal	Sept. 28-
International Committee on Weights and Measures	Sèvres	Sept. 28-
International Congress of Chronometry	Paris	Oct. 1-
International Philatelic and Postal Exhibition	New Delhi	Oct. 1-
FAO Working Party on Fertilizers: 4th Meeting	Tokyo	Oct. 4-
FAO Working Party on Rice Breeding: 5th Meeting	Tokyo	Oct. 4-
PASO Executive Committee: 23rd Meeting	Santiago	Oct. 4-
International Council for the Exploration of the Sea: 42nd Annual Meeting.	Paris	Oct. 4-
ITU International Telephone Consultative Committee: XVII Plenary Assembly.	Geneva	Oct. 4-
ICAO North Atlantic Regional Air Navigation Meeting: Third Session . .	Montreal	Oct. 5-
UNESCO Seminar for Leaders of Youth Movements	Habana	Oct. 5-
10th General Conference on Weights and Measures	Paris	Oct. 5-
Caribbean Commission—UNESCO Joint Conference on Education and Small Scale Farming in Relation to Community Development.	Port-au-Spain	Oct. 6-
2nd International Meeting of Communications	Genoa	Oct. 6-
U.N. ECAFE Subcommittee on Electric Power: Fourth Session	Tokyo	Oct. 6-
PASO 14th Pan American Sanitary Conference; and 6th Meeting of the Regional Committee of WHO.	Santiago	Oct. 7-
23rd Session of the General Assembly of the International Commission of Criminal Police.	Rome	Oct. 9-
ILO Iron and Steel Committee: 5th Session	Geneva	Oct. 11-
South Pacific Commission: 13th Session	Nouméa	Oct. 11-
FAO International Rice Commission: 4th Session	Tokyo	Oct. 12-
U.N. ECAFE Railway Subcommittee: Third Session, and Working party on "Prevention and Speedy Disposal of Claims".	Tokyo	Oct. 13-
PASO Executive Committee: 24th Meeting	Santiago	Oct. 23-
Inter-American Cultural Council: 2nd Meeting	São Paulo	Oct. 25-
Inter-American Conference of Ministers and Directors of Education .	São Paulo	Oct. 25-
International North Pacific Fisheries Commission: 2nd Meeting . . .	Vancouver	Oct. 25-
ILO Metal Trades Committee: 5th Session	Geneva	Oct. 25-
U.N. ECAFE Working Party of Experts on the Aspects of Economic Development.	Bangkok	Oct. 25-

Scheduled September 1-November 30, 1954—Continued

GATT <i>Ad Hoc</i> Committee for Agenda and Intersessional Business . . .	Geneva	Oct. 26-
Central Rhine Commission	Strasbourg	Oct. 27-
GATT Ninth Session of Contracting Parties	Geneva	Oct. 28-
International Exposition in Bogotá	Bogotá	Oct. 29-
FAO European Forestry Commission and Working Party on Afforestation. tion.	Geneva	Oct.-
International Wheat Council: 16th Session	London	Oct.-
U.N. ECAFE <i>Ad Hoc</i> Working Party of Senior Geologists on the Prepara- tions of a Regional Geological Map for Asia and the Far East.	Bangkok	Nov. 1-
International Philatelic Exposition	São Paulo	Nov. 7-
FAO 3rd Inter-American Meeting on Livestock Production	Buenos Aires	Nov. 8-
GATT Conference to Review the General Agreement on Tariffs and Trade.	Geneva	Nov. 8-
ILO Governing Body: 127th Session	Rome	Nov. 8-
U.N. ECAFE Minerals Subcommittee: First Session	Bangkok	Nov. 8-
FAO Meeting on Economic Aspects of the Rice Situation	Far East	Nov. 10-*
UNESCO General Conference: Eighth Session	Montevideo	Nov. 12-
Third Inter-American Accounting Conference	São Paulo	Nov. 14-
Inter-American Commission of Women: 10th General Assembly	Port-au-Prince	Nov. 15-
Inter-American Economic and Social Council: 4th Extraordinary Meeting.	Rio de Janeiro	Nov. 20-*
ICEM <i>Ad Hoc</i> Sub-Committee on Draft Rules and Regulations	Geneva	Nov. 22-
ILO 8th International Conference of Labor Statisticians	Geneva	Nov. 23-
ICEM Sub-Committee on Finance: 6th Session	Geneva	Nov. 25-
PAIGH Commission on Cartography: 7th Consultation	México, D. F.	Nov. 29-
PAIGH Commission on Geography: 4th Consultation	México, D. F.	Nov. 29-
PAIGH Commission on History: 3d Consultation	México, D. F.	Nov. 29-
PAIGH 6th General Assembly	México, D. F.	Nov. 29-
ICEM Eighth Session	Geneva	Nov. 30-

U.S. Delegations to International Conferences

Meeting on Southeast Asia Pact

The Department of State announced on August 25 (press release 477) that the United States Government would be represented at the meeting on the Southeast Asia Pact at Manila, beginning September 6, by the following delegation:

U.S. Plenipotentiary Representatives

John Foster Dulles, Secretary of State
H. Alexander Smith, U.S. Senator from New Jersey
Michael J. Mansfield, U.S. Senator from Montana

Special Assistant to the Secretary

Roderic L. O'Connor

Delegation Coordinator

Douglas MacArthur II, Counselor, Department of State

Special Advisers

Arthur C. Davis, Vice Admiral U.S.N., Deputy Assistant Secretary for International Security Affairs, Department of Defense
Carl W. McCardle, Assistant Secretary of State for Public Affairs
Herman Phleger, Legal Adviser, Department of State
Ambassador William J. Sebald
Raymond A. Spruance, American Ambassador to the Republic of the Philippines

Press Officer

Henry Suydam, Chief, News Division, Department of State

Advisers

James D. Bell, Officer in Charge, Philippine Affairs, Department of State
Chester L. Cooper, Office of Chinese Affairs, Department of State
James Cross, Bureau of Far Eastern Affairs, Department of State
John E. Dwan, Lt. Col., U.S.A., Department of Defense
William J. Galloway, Office of the Counselor, Department of State
Outerbridge Horsey, Officer in Charge, Commonwealth Affairs, Department of State
William S. B. Lacy, American Counselor of Embassy, Manila
N. Paul Neilson, Deputy Assistant Director for the Far East, USIA
Charles C. Stelle, Policy Planning Staff, Department of State
Charles A. Sullivan, Chief, American and Far East Division, Office of Foreign Military Affairs, Department of Defense

Deputy Coordinator

Walter N. Trulock, Executive Secretariat, Department of State

Reports Officer

Eugene V. McAuliffe, Executive Secretariat, Department of State

Administrative Officer

Bruce Grainger, Division of International Conferences, Department of State

International Union of Geodesy and Geophysics

The Department of State announced on August 24 (press release 476) that the United States Government will be represented by the following delegates at the Tenth General Assembly of the International Union of Geodesy and Geophysics, to be held September 14-29 at Rome, Italy:

The Rev. James B. Macelwane, S. J., *Chairman*, Dean, Institute of Technology, St. Louis University, St. Louis, Mo.

Leason H. Adams, Director, Geophysical Laboratory, Carnegie Institution of Washington, Washington, D. C.

Lloyd V. Berkner, President, Associated Universities, Inc., New York, N. Y.

J. A. B. Bjerknes, Professor of Meteorology, University of California, Berkeley, Calif.

Walter H. Bucher, Professor of Structural Geology, Columbia University, New York, N. Y.

Beno Gutenberg, Director, Seismological Laboratory, California Institute of Technology, Pasadena, Calif.

Joseph Kaplan, Professor of Geophysics, Institute of Geophysics, University of California, Berkeley, Calif.

Walter D. Lambert, Professor of Geodesy, Ohio State University, Columbus, Ohio.

F. W. Reichelderfer, Chief, United States Weather Bureau, Department of Commerce.

Among the subjects to be discussed at the General Assembly and in meetings immediately thereafter will be the International Geophysical Year, to be held July 1, 1957, to December 1958, in which some 30 nations will unite their scientific resources for a simultaneous effort to penetrate the basic geophysical forces which govern the national environment in which we live. The findings of this research will be widely disseminated throughout the world, aiding in the further development of telecommunications, aviation, navigation, and weather forecasting.

International Congress of Cell Biology

The Department of State announced on August 24 (press release 474) that the U.S. Government would be represented at the International Congress of Cell Biology, which is scheduled to meet at Leiden, the Netherlands, September 1-7, 1954, by the following delegates:

Paul Weiss, *Chairman*, Chairman of the Division of Biology and Agriculture, National Research Council, Washington, D. C.

J. S. Nicholas, Chairman of the Department of Zoology, Yale University, New Haven, Conn.

This is the Eighth Congress to be held under the auspices of the International Society for Cell Biology, which is an official section of the International Union of Biological Sciences, of which organization the United States is a member through the National Academy of Sciences—National Research Council. The Seventh International Congress was held at Yale University, New Haven, Conn., in September 1950.

Cell biology includes most of the basic work in cancer, virus diseases, nutrition, radiation hazards, etc., and represents one of the most critical and significant areas of contemporary research, with direct implications to national health, wealth, and security. The program prepared by the International Committee for the forthcoming Congress includes symposia on the following topics: induced enzyme synthesis, the formation of the intracellular matrix in plant and animal tissues, biochemistry of gene action, thyroid secretion, nuclear and chromosome structure, mitochondria, cell division and mitotic poisons, morphogenetic interactions between cells, virus synthesis, the active cell surface, and submicroscopic structure of cytoplasm.

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

Protocol relating to certain amendments to the Convention on International Civil Aviation (TIAS 1581) by providing that sessions of the Assembly of the International Civil Aviation Organization shall be held not less than once in three years instead of annually. Done at Montreal June 14, 1954. Enters into force on date on which the forty-second instrument of ratification is deposited with ICAO.

Protocol amending Article 45 of the Convention on International Civil Aviation (TIAS 1581), relating to the permanent seat of ICAO. Done at Montreal June 14, second instrument of ratification is deposited with ICAO.

Commodities

Constitution of the International Rice Commission. Formulated at the International Rice Meeting at Baguio March 1 to 13, 1948. Entered into force January 4, 1949. TIAS 1938.

Acceptance deposited: Laos, July 21, 1954.

Narcotics

Protocol bringing under international control drugs outside the scope of the convention of July 13, 1931 (48 Stat. 1543) for limiting the manufacture and regulating the distribution of narcotic drugs, as amended by the protocol signed at Lake Success December 11, 1946 (TIAS 1671). Dated at Paris November 19, 1948. Entered into force December 1, 1949. TIAS 2308.

Acceptance deposited: Iraq, July 27, 1954.

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and whole-

sale trade in, and use of opium. Dated at New York June 23, 1953.¹

Senate advice and consent to ratification: August 20, 1954.

Ratifications deposited: Denmark, July 20, 1954; Japan, July 21, 1954.

Safety at Sea

Convention on safety of life at sea. Signed at London June 10, 1948. Entered into force November 19, 1952. TIAS 2495.

Acceptances deposited: Egypt, June 11, 1954; Poland, June 11, 1954.

Slave Trade

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953.²

Acceptance deposited: Syria, August 4, 1954.

BILATERAL

Canada

Agreement relating to the St. Lawrence seaway project for the construction of certain navigation facilities. Effected by exchange of notes at Ottawa August 17, 1954. Entered into force August 17, 1954.

Denmark

Agreement relating to the establishment of an air route between Scandinavia and the United States by way of Greenland. Effected by exchange of notes at Washington August 6, 1954. Entered into force August 6, 1954.

Agreement amending the air transport agreement of December 16, 1944 (58 Stat. 1458), as amended (TIAS 1519), to include capacity principles, provisions relative to rates, and consultation and arbitration procedures. Effected by exchange of notes at Washington August 6, 1954. Entered into force August 6, 1954.

Germany

Agreement relating to the deduction of \$2,350,000 from the indebtedness of the Federal Republic to the United States for certain claims pursuant to Articles I and VII of the surplus property payments agreement of February 27, 1953 (TIAS 2797). Effected by exchange of notes at Washington May 17 and August 17, 1954. Entered into force August 18, 1954, the date of receipt by the United States of the Federal Republic's note of August 17, 1954.

Convention for the avoidance of double taxation with respect to taxes on income. Signed at Washington July 22, 1954.

Senate advice and consent to ratification: August 20, 1954.

Greece

Agreement relating to certain procedural and interpretative understandings relative to the operation of the offshore procurement program in Greece. Effected by exchange of notes at Athens July 30, 1954. Entered into force July 30, 1954.

¹ Not in force.

² Not in force for the United States.

Mexico

Agreement relating to the acceptance of the Recommendations of the Joint Migratory Labor Commission interpreting and amending the migrant labor agreement of August 11, 1951, as amended and extended (TIAS 2331, 2531, 2586, 2928, and 2932). Effected by exchange of notes at Mexico August 6, 1954. Entered into force August 6, 1954.

Netherlands

Agreement relating to a memorandum and a model contract for the offshore procurement program. Effected by exchange of notes at The Hague April 15 and May 7, 1954. Entered into force July 30, 1954, the date of notification by the Netherlands of ratification.

Norway

Agreement relating to the establishment of an air route between Scandinavia and the United States by way of Greenland. Effected by exchange of notes at Washington August 6, 1954. Entered into force August 6, 1954.

Agreement amending the air transport agreement of October 6, 1945 (59 Stat. 1658) to include capacity principles, provisions relative to rates, and consultation and arbitration procedures. Effected by exchange of notes at Washington August 6, 1954. Entered into force August 6, 1954.

Pakistan

Agreement relating to emergency flood assistance to East Pakistan. Effected by exchange of notes at Washington August 23, 1954. Entered into force August 23, 1954.

Spain

Agreement relating to offshore procurement in Spain, with memorandum of understanding and standard contract attached. Effected by exchange of notes at San Sebastián July 30, 1954. Entered into force July 30, 1954.

Sweden

Agreement relating to the establishment of an air route between Scandinavia and the United States by way of Greenland. Effected by exchange of notes at Washington August 6, 1954. Entered into force August 6, 1954.

Agreement amending the air transport agreement of December 16, 1944 (58 Stat. 1466), as amended (TIAS 1550), to include capacity principles, provisions relative to rates, and consultation and arbitration procedures. Effected by exchange of notes at Washington August 6, 1954. Entered into force August 6, 1954.

United Kingdom

Supplementary protocol amending the convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income of April 16, 1945 (TIAS 1546), as modified by the supplementary protocol of June 6, 1946 (TIAS 1546). Signed at Washington May 25, 1954.

Senate advice and consent to ratification: August 20, 1954.

Review of the Eighth Year of the United Nations¹

The first United Nations action to repel aggression was successfully concluded in 1953. Three years of fighting in Korea against the Communist aggressors ended with the signing of the armistice on July 27 and left the Communists in control of less Korean territory than they held when they invaded the Republic of Korea in June 1950. The prisoner-of-war question, on which the armistice negotiations had been stalled for so long because of Communist refusal to accept the principle of nonforcible repatriation, was satisfactorily resolved in the prisoner-of-war agreement of June 8, 1953, and there was no forcible repatriation of prisoners. Of the approximately 7,900 Korean and 14,700 Chinese prisoners of war turned over to the Neutral Nations Repatriation Commission by the United Nations Command, only 169 Koreans and 434 Chinese chose to return to the Communists.

The Korea armistice was unquestionably the most important U.N. development during 1953. There were also, however, a substantial number of other constructive developments of particular interest to the United States. President Eisenhower's proposals before the eighth session of the General Assembly in December for an international pool of fissionable materials for peaceful use were enthusiastically received by the free world. Substantial progress had been made by the end of the year in removing from Burma the foreign irregular forces whose continued presence on Burmese territory had led Burma to complain to the United Nations in March 1953. A unified plan for the development of the Jordan River Valley, prepared under Tennessee Valley Authority direction at the request of the United Nations Relief and Works Agency for Palestine Refugees, has great potentialities for peace and stability in the Near East.

Traditional U.S. policy toward dependent areas under its authority received gratifying endorse-

ment when the General Assembly, at its eighth session, approved the United States decision to cease transmission to the United Nations of information on Puerto Rico, in view of the latter's attainment of a "full measure of self-government." In this connection, President Eisenhower informed the eighth session through Ambassador Henry Cabot Lodge, Jr., that if the Puerto Rican Legislative Assembly at any time adopted a resolution in favor of more complete or absolute independence, he would immediately recommend to the Congress that such independence be granted.

The one-third "ceiling" on individual members' contributions to the regularly budgeted expenses of the United Nations, for which the United States has consistently worked, was put into effect when the Assembly at its eighth session reduced the U.S. percentage share of the budget for 1954 to 33⅓ percent. The problem of assuring against the employment on international secretariats of U.S. citizens engaging or likely to engage in subversive activities was in large measure solved by the end of 1953.

Progress continued to be made during the year throughout the wide range of U.N. activities, though the pattern was again varied and not entirely one of cooperative effort and achievement. The Korea armistice did not bring with it a Korea peace settlement. Efforts to negotiate with the Communists at Panmunjom, beginning in October, on the question of the political conference projected in the armistice elicited Communist tirades and insults rather than reasonable discussion and resulted in no agreement. It was not until February 1954 at the Berlin meeting of the Foreign Ministers of the United States, the United Kingdom, France, and the U.S.S.R. that it was agreed to hold a conference for the peaceful settlement of the Korean question at Geneva late in April.

While Soviet tactics in the United Nations generally, and particularly in the economic and social field, were not so openly obstructionist as in previous years, the U.S.S.R. gave no indication of so modifying its position on basic issues as to give hope for genuine political settlements and an easing of world tension. In this situation the free

¹ Reprinted from *US Participation in the UN: Report by the President to the Congress for the Year 1953*, H. Doc. 492, transmitted Aug. 10; Department of State publication 5459, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. (70 cents).

world position continued to receive strong endorsement, though on occasion there were reflected in the vote on "cold war" issues a "neutralist" attitude on the part of some members and also feelings aroused by the definite divergencies of view within the free world on such controversial matters as the "colonial" question and the ways and means of assisting the economic development of underdeveloped countries.

There was one new matter on the General Assembly's agenda in 1953 that has great importance for the future. Under the U.N. Charter, the Assembly will decide at its 1955 session whether to hold a charter review conference, and at its eighth session the Assembly considered for the first time certain procedural aspects of this question. Secretary Dulles has stated, in a letter to Senator Wiley in August 1953, that the Department of State would favor the calling of such a conference when this matter comes before the assembly.

The question of the appointment of a successor to Trygve Lie as Secretary-General of the United Nations was resolved with the General Assembly's election, on the recommendation of the Security Council, of Dag Hammarskjöld of Sweden, who took office in April 1953.

Political and Security Questions

The Korea armistice negotiations overshadowed all other U.N. efforts in the collective security field during 1953. Activities with respect to collective measures and to disarmament were virtually suspended until the course of these negotiations became clear. The groundwork to facilitate possible collective action in the future had been laid in the 2 previous years, and next steps depended both on further appraisal of the Korea experience and on the reactions of U.N. members to that experience. The Collective Measures Committee, which was not required to report to the eighth General Assembly, will report to the ninth. The Disarmament Commission, in its report to the eighth session, expressed the hope that the successful outcome of the armistice negotiations would mean a more propitious atmosphere for its deliberations, and, with this in mind, the Assembly suggested the establishment of a Commission subcommittee comprised of the "Representatives of the powers principally involved" to seek in private agreement on a comprehensive, coordinated, and adequately safeguarded disarmament program.

Progress toward the solution of problems of peaceful settlement is necessarily slow. It involves the adjustment of conflicting interests and the conciliation of hostile emotions and in the final analysis depends upon the parties themselves, since the United Nations cannot impose solutions. The United Nations can, however, assist by recommending procedures and methods of adjustment, by making available its good offices, and by estab-

lishing such instrumentalities as the United Nations Truce Supervision Organization in Palestine, the United Nations military observer teams along the cease-fire line in Kashmir, and the Balkans Subcommittee of the Peace Observation Commission in Greece. The ultimate effectiveness of these various types of effort requires time to determine, and definite results may not be discernible in every instance in any given year. Repeated discussion of these problems in U.N. bodies serves the twofold purpose of permitting a full airing of their continuing differences by the parties and of bringing the weight of world opinion to bear on the parties toward reaching a settlement.

In 1953 apparent progress toward peaceful solutions was uneven. With the signing of the armistice, the Korea problem became one for peaceful settlement, and Communist attitudes and actions in the last 5 months of 1953 did nothing to encourage hopes for an early realization of U.N. objectives there—the establishment of a unified independent, and free Korea. In North Africa the Tunisian situation showed an improvement over 1952, while that in Morocco appeared less stable. In South Africa there was no modification of the Union's racial policies. As already noted, there had been definite progress by the end of the year in removing the foreign irregular forces from Burma. The situation along Greece's northern frontiers continued to improve to such an extent that the Balkans Subcommittee of the Peace Observation Commission decided late in the year that the number of its observers in the area could be reduced. Efforts to solve the Kashmir dispute between India and Pakistan entered a new stage in the summer of 1953 when the parties undertook direct negotiations. Two major disputes between Israel and Jordan and Israel and Syria, respectively, led the Security Council to consider the Palestine question, of which it has been seized since 1948, for the first time since 1951.

There were no essentially new areas of dispute brought before the Security Council in 1953. This was in part attributable to the tendency of recent years, because of Soviet abuse of the veto, toward appeal to the General Assembly rather than to the Council. It was also attributable in some cases to the belief that a situation did not warrant Security Council intervention or that Council discussion would introduce complicating factors. The Council took up only one new question during the year—its recommendations under the charter to the General Assembly on the selection of a Secretary-General. While the Council met in August in response to an Arab-Asia request for consideration of the Moroccan situation, it decided early in September not to put this question on its agenda—a decision that the United States supported. The Council also held a number of meetings in the last quarter of the year as the result of a Soviet move to bring about renewed Council consideration of the Trieste question but decided, as the United

States advocated, to postpone any substantive discussion of this problem pending the outcome of negotiations being undertaken outside the United Nations.

The General Assembly was in session on three occasions during 1953. The seventh session resumed late in February to complete its agenda and then again briefly in August to make the arrangements from the United Nations side for the Korea political conference recommended in the armistice. The eighth session convened on September 15 and completed its agenda on December 9, recessing subject to the call of its president with the concurrence of a majority of its members if the Korea situation warranted.

At the end of October the United States asked to have Communist atrocities in Korea added to the agenda as an urgent and important question. The United States also presented at the eighth session new evidence in connection with the Communist charges of bacteriological warfare by U.N. forces. This evidence had been obtained from repatriated American flyers and established that their so-called confessions to using bacteriological weapons had been obtained under duress and in many cases by force. The Assembly's response to both these U.S.-sponsored items served greatly to strengthen the U.S. position in meeting Communist propaganda.

Among other recurring questions, the Assembly again had before it at its eighth session the controversial Moroccan and Tunisian situations, which the French maintain are matters of domestic jurisdiction and therefore beyond the competence of the Assembly, and the two items involving the racial policies of the Union of South Africa, which the Union also holds to be matters of domestic jurisdiction. While the United States did not support this position in either case, Ambassador Lodge took occasion to state that the United States has observed with increasing concern the Assembly's tendency to include on its agenda items that raise questions of the Assembly's competence under the charter's domestic jurisdiction clause (article 2 (7)).

There was no progress during 1953 toward breaking the deadlock on the admission of new members to the United Nations. The special committee on this question established by the seventh General Assembly reported to the eighth session that none of the proposals presented for its consideration as possible solutions to the problem had found general acceptance, and debate on this question at the eighth session indicated no essential change in the Soviet position, which has created the deadlock. A Committee of Good Offices, consisting of Egypt, the Netherlands, and Peru, was set up by the eighth session to give whatever assistance it could in connection with the problem.

The persistent Soviet effort to seat Chinese Communists in U.N. bodies and in the specialized agen-

cies continued to be successfully countered during 1953.

Economic and Social Cooperation

Steady progress continued to be made during 1953 in the wide range of United Nations and specialized agency activities directed toward raising standards of living and promoting recognition of fundamental human rights. These activities represent a cooperative endeavor on the part of the great majority of nations to remove the economic and social causes of unrest in the world, which undermine stability and peace.

In the economic field the major emphasis was again on the economic development of underdeveloped countries. Various aspects of this problem absorbed most of the time of the General Assembly's Economic and Financial Committee at the eighth Assembly session. While the basic divergence of views between the developed and the underdeveloped countries on ways and means of achieving their agreed objective continued to be manifest, generally satisfactory agreements were in the end reached. The United States was able at the eighth session, which it had not been at the seventh, to vote for all the resolutions adopted by the Committee.

The Assembly adopted a resolution emphasizing the desirability of international private investment in underdeveloped countries, to which the United States attaches much importance, and again strongly endorsed the Expanded Program of Technical Assistance, which is the principal U.N. instrument for assisting the economic development of underdeveloped countries. Definitive action on the two proposals for a special development fund and an international finance corporation was deferred. In connection with the first of these proposals, the United States, making clear that it was not prepared under present circumstances to contribute to the suggested fund, sponsored a declaration of intention based on President Eisenhower's statement on April 16, 1953, that—

This Government is ready to ask its people to join with all nations in devoting a substantial percentage of the savings achieved by disarmament to a fund for world aid and reconstruction. . . .

This declaration of intention, which the United States first proposed at the sixteenth session of the Economic and Social Council, received general support, though some underdeveloped countries saw it as a delaying tactic in connection with the establishment of the special fund they desired.

The technical assistance program, conducted in cooperation with the specialized agencies and the countries desiring assistance, operated along the same general lines in 1953 as in 1952. Pledges to the program, which is financed by voluntary contributions from governments, have grown each year. At the end of 1953 pledges for 1954

mounted to over \$24 million, and 29 of these pledges represented increases over 1953. The United States has consistently supported this program, which is complementary to its own bilateral program of technical assistance, and continued to be the major contributor. For the 1954 program the U.S. pledge is approximately 57.5 percent of total government pledges.

In addition to this cooperative program to provide technical assistance to underdeveloped countries, there are the individual activities of the United Nations and the specialized agencies directed toward other aspects of the economic development problem. The International Bank for Reconstruction and Development, for example, in 1953 made 21 new loans to 13 member countries for development purposes. The United Nations Economic Commission at its fourth session gave special consideration to the relation of taxation to the flow of private capital to underdeveloped areas. The seventh Food and Agriculture Organization Conference devoted much of its attention to the twofold problem of agricultural surpluses in some areas and, elsewhere, inadequate supplies of food and agricultural products to meet nutritional needs. Efficient use of human resources, usually as necessary to economic development as efficient use of natural resources, was one of the basic objectives of such agencies as the World Health Organization, the International Labor Organization, the United Nations Educational, Scientific and Cultural Organization, and the Office of the High Commissioner for Refugees in their continuing efforts to eradicate disease, to improve labor standards, to combat ignorance, and to resettle refugees. An important Secretariat report, sponsored by the United Nations Population Commission and completed in 1953, focuses on the interplay of population trends and development programs.

International trade was another factor in economic development that continued to be of major concern to the United Nations and to certain of the specialized agencies during 1953. Pursuant to a seventh General Assembly resolution concerning "the financing of economic development through the establishment of fair and equitable international prices for primary commodities," a group of experts reported on the problems of instability in world commodity markets. This report was scheduled for consideration by the Economic and Social Council and by the General Assembly in 1954. The Council's *Ad Hoc* Committee on Restrictive Business Practices issued its report in April 1953. Substantive consideration of this report was deferred, however, to allow governments time to study it. The contracting parties to the General Agreement on Tariffs and Trade decided at their eighth regular session to attend for another 18 months after January 1, 1954, the tariff concessions already granted. The International Monetary Fund made foreign ex-

change available to member governments in an amount representing an increase over 1952 of over 100 percent.

Four specialized agencies (the International Civil Aviation Organization, the World Meteorological Organization, the International Telecommunication Union, and the Universal Postal Union) and the United Nations Transport and Communications Commission carried forward in 1953 their continuing activities to facilitate movement across international boundaries and to improve communications. Steps were also taken to hasten the bringing into being of a fifth specialized agency in this field—the Intergovernmental Maritime Consultative Organization.

The United Nations Relief and Works Agency for Palestine Refugees (UNRWA) and the United Nations Korean Reconstruction Agency (UNKRA) maintained during 1953 their efforts to alleviate the emergency situations created in the Near East by the Arab refugees from Palestine and in Korea by the 3 years of fighting. With the armistice, a great expansion of relief and reconstruction activities in Korea became possible, and by the end of the year UNKRA had delivered almost \$30½ million of items and had obligated a further \$20 million under its \$70 million program for 1953.

A U.S. initiative at the eighth General Assembly resulted in condemnation of the use of forced labor for political and economic purposes and in an Assembly request that both the Economic and Social Council and the International Labor Organization consider as a matter of urgency at their next sessions the report of the *Ad Hoc* Committee on Forced Labor, which was issued in June 1953. This comprehensive report, which was prepared by three eminent individuals from India, Norway, and Peru, respectively, and which is most carefully documented, fully establishes that in the Soviet Union and its satellites systems of forced labor are an essential part of the national economy, as well as a means of political coercion.

U.N. activities in the social field during the year were for the most part complementary to those in the economic field. The Economic and Social Council at its sixteenth session and later the eighth General Assembly approved a program of concerted practical action to promote social development and to improve living conditions, particularly in underdeveloped areas. This program outlines general principles to be applied by the United Nations and the specialized agencies in assisting governments, suggests methods and techniques to be used, and indicates the types of projects that should be emphasized.

As in the case of the Economic and Financial Committee, the Social Committee's deliberations at the eighth session of the Assembly were more harmonious than in 1952, and the United States was able to vote for every resolution adopted. There was comparatively little discussion of the right of peoples and nations to self-determination,

and substantive decisions were deferred on this controversial issue. Substantive decisions were also deferred on the questions of freedom of information and human rights, the approach to both of which raises basic differences of opinion within the free world.

The Assembly voted to continue indefinitely the United Nations International Children's Emergency Fund as the United Nations Children's Fund and to continue the Office of the High Commissioner for Refugees for another 5 years. It adopted two resolutions authorizing the extension of technical assistance to requesting governments in the fields of women's rights and prevention of discrimination and protection of minorities.

The Assembly also reiterated its grave concern that hundreds of thousands of World War II prisoners of war remain unaccounted for and appealed to all "governments and authorities" to cooperate fully with its *Ad Hoc* Commission on Prisoners of War. This question was placed on the Assembly's agenda by the Secretary-General after the *Ad Hoc* Commission, in its 1953 Progress Report, had described the Soviet attitude toward the Commission as "the main obstacle through which its best efforts have been frustrated." In making its appeal, the Assembly noted with satisfaction that some prisoners had recently been repatriated, thus taking into account the release of a certain number of World War II prisoners of war by the U.S.S.R. and Communist China during 1953.

The United States, at the Human Rights Commission, at the sixteenth session of the Economic and Social Council, and at the eighth General Assembly, sponsored a new human rights action program. This U.S. initiative followed Secretary Dulles' statement before the Senate Judiciary Committee on April 6, 1953, that the United States did not intend to sign the two draft Covenants on Human Rights nor the Convention on the Political Rights of Women. In announcing this decision, the Secretary said that, while the United States "intends to encourage the promotion everywhere of human rights and individual freedoms," it does not consider treaties to be the proper approach to this objective, favoring, rather, "methods of persuasion, education, and example."

There was no major shift in emphasis during 1953 in the respective activities of the United Nations and the specialized agencies directed toward social and cultural advancement. The U.N. Secretariat maintained its various advisory services and technical aid to governments in the social welfare field. Besides its continuing efforts to combat the illicit traffic in drugs, the United Nations convened an Opium Conference in May 1953, at which a Protocol for Limiting and Regulating the Cultivation of the Poppy Plant, the Production of, International and Wholesale Trade in, and Use of Opium was adopted. The World Health Organization carried forward, in cooperation with almost all countries outside the Soviet bloc, its specific

disease control programs and its assistance to governments in building effective national health services. The United Nations Children's Fund provided almost \$10 million of aid for children in 1953. The United Nations Educational, Scientific and Cultural Organization, as in past years, showed progress in projects throughout the free world designed to raise educational levels, encourage exchange of knowledge, promote higher learning and scientific research, and develop increased international understanding and mutual respect among peoples.

Dependent Territories

Problems that reflect the political, economic, social, and educational aspirations of the 200 million people living in dependent territories were again prominent in U.N. deliberations during 1953. While such problems are the direct concern of the Trusteeship Council, the Committee on Information from Non-Self-Governing Territories, and the General Assembly's Fourth Committee, they also arose, as already noted, in the Assembly's Political Committee and in its Social Committee.

Under the charter the 70 dependent territories administered by U.N. members fall into two categories—trust territories and other non-self-governing territories. Special international supervision of the administration of the former is provided through the Trusteeship Council. Normally the Council holds two sessions a year to examine the reports on the 11 trust territories that are submitted annually by the administering authorities; however, because of a rearrangement of its schedule, it held only one regular session in 1953. At this session the Council examined the administration of the four trust territories in the Pacific, which include the Trust Territory of the Pacific Islands under U.S. administration, using as a basis not only the reports of the administering authorities but also the reports of its 1953 visiting mission to the Pacific trust territories. In addition, the Council examined conditions in the African trust territory of Somaliland under Italian administration.

Progress was noted in all the territories. The visiting mission commented favorably on various aspects of U.S. administration of the Trust Territory of the Pacific Islands, including the substantial progress brought about in the political field. At the same time, both the visiting mission and the Trusteeship Council made certain recommendations to the administering authorities on various aspects of their administration with a view to bringing about greater progress in the future. The Trusteeship Council's recommendations with respect to Somaliland were directed principally to preparing that territory, both politically and economically, for independence in 1960, as provided in the 1949 General Assembly resolution placing it under Italian administration.

Both the Trusteeship Council and the General Assembly considered again in 1953 the Ewe and Togoland unification problem, which has been before these two organs for 7 years. It concerns primarily the two trust territories of British Togoland and French Togoland but also involves the Ewe people living in the British colony of the Gold Coast. The Council's 1952 visiting mission to the Togolands reported a widespread desire for unification among the Togolandese but found no single form of unification acceptable to a majority and recommended no change in existing administrative arrangements. The General Assembly at its eighth session adopted two resolutions recommending, respectively, the reestablishment by direct universal suffrage of the Joint Council for Togoland Affairs and the revision of the electoral systems in both territories to insure that all adult persons may qualify for the vote. A third resolution requested the Trusteeship Council to report to the ninth General Assembly on all aspects of the problem of achieving the basic objectives of the trusteeship system in the two trust territories. Besides the report of the Trusteeship Council, the General Assembly considers annually the report of its Committee on Information from Non-Self-Governing Territories. This Committee was established to consider the information transmitted annually under the charter by the administering states on economic, social, and educational conditions in non-self-governing territories that are not administered under the trusteeship system. The Committee is composed of eight members that administer such territories and an equal number that do not, and some administering states have opposed its continuation. In 1953, for the first time, one of its members, Belgium, did not participate, stating that it did not "intend to yield to the tendency of members of the United Nations which are more or less openly desirous of progressively assimilating the system of non-self-governing territories to the International Trusteeship System."

The Committee on Information from Non-Self-Governing Territories also considers other matters referred to it by the Assembly and in 1953 again had before it the question of associating the non-self-governing territories themselves in its work. The United States abstained on an eighth Assembly resolution requesting the Committee to give further study to this question because it believes the Committee's recommendation to the eighth Assembly the most practicable possible in this regard. The Committee recommended the inclusion of indigenous representatives from the territories that have a large measure of responsibility for economic, social, and educational policies on the delegations of administering states.

The Assembly at its eighth session gave further consideration to another question that gives rise to marked difference of opinion between administering and nonadministering members—the fac-

tors to be taken into account in deciding whether a territory has or has not attained a full measure of self-government. The United States was unable to support the resolution adopted because it was not entirely satisfied with the list of factors adopted and because the resolution did not fully accord with its views on the Assembly's role in connection with decisions to cease transmission of information on territories. In deciding that it was "appropriate" that transmission of information on Puerto Rico cease, the Assembly explicitly accepted for the first time the decision of an administering state to cease reporting.

No progress was made during 1953 toward solution of the question of the international status of the mandated territory of South-West Africa. The Assembly therefore, at its eighth session, established a new committee to continue negotiations with the Union of South Africa on this question and also to examine information and petitions concerning South-West Africa and to report to the Assembly on conditions in that territory.

The Caribbean Commission and the South Pacific Commission, while outside the United Nations system, carry on in their respective regions activities very similar to, and thoroughly consistent with, those of an economic and social character undertaken by the United Nations on behalf of dependent peoples. These Commissions, which are comprised of the states administering dependent territories in the respective areas and in both of which the United States is a participant, are advisory and consultative in character. They are each assisted by a secretariat, by a research council, and by a regional conference of local representatives. At the second South Pacific Conference, held in April 1953, representatives of the local inhabitants from 17 dependent territories and the Kingdom of Tonga met to consider common economic and social problems.

The work of both Commissions is essentially technical in character, and both have working relations with certain of the specialized agencies, for example, the Food and Agriculture Organization. The Caribbean Commission program in 1953 was concentrated in the fields of natural resources development, industrial development, housing, and fundamental education. The South Pacific Commission gave attention to the wider variety of critical economic and social problems affecting the welfare of the South Pacific peoples.

Legal and Constitutional Developments

The International Court of Justice, the United Nations principal judicial organ, delivered two judgments in 1953—one in a case between Greece and the United Kingdom and the other in a case between France and the United Kingdom—and rejected Guatemalan objections to its jurisdiction in another case. Proceedings were instituted in two cases, one of which concerned the United

States—the case of the “Monetary Gold Removal from Rome in 1943”—which Italy brought against the United States, France, and the United Kingdom. The Court handed down no advisory opinions during the year.

Two decisions by the General Assembly at its eighth session concerned the Court: (1) its request for an advisory opinion on the extent of the Assembly's power with respect to compensation awards made by the United Nations Administrative Tribunal and (2) its resolution specifying the conditions under which Japan and San Marino, having indicated the desire, could become parties to the Statute of the Court. The Assembly took no final action on the recommendations of its International Law Commission relating to a draft convention on arbitral procedure prepared by the Commission and certain draft articles on the Continental Shelf and high-seas fisheries.

Preparatory to its consideration of the charter review question at its tenth session in 1955, the Assembly at its eighth session asked the Secretary-General to prepare and publish various documents and studies. The debate on this resolution revealed considerable difference of opinion, ranging from strong opposition to the idea of charter review on the part of the Soviet bloc to considerable support for initiating procedures preparatory to 1955 on the part of members with charter amendments in mind.

Administrative Matters

Besides implementation of the one-third ceiling principle already noted, the principal United States concern during 1953 with respect to administration within the United Nations system was to assure that individuals who are found to be engaged or likely to engage in subversive activities are not employed on international secretariats. Toward this end the United States has itself undertaken to provide the United Nations and the specialized agencies with information, based on investigation of loyalty to the United States, on all U.S. citizens either employed or being considered for employment by these organizations. At the same time, it has encouraged the organizations themselves to adopt personnel standards that will insure the employment of individuals of good character and integrity and to grant their administrative heads the authority to enforce such standards. The U.N. Secretary-General and the heads of the specialized agencies have generally cooperated with the United States in this endeavor, and the majority of U.N. members support the basic U.S. objectives in this regard.

One of the most difficult issues which remains unsolved, however, relates to the disposition of the appeals of 11 staff members who were dismissed by the Secretary-General for refusal to testify before official U.S. investigating bodies on questions relating to subversive activities.

The United Nations Administrative Tribunal held that in these 11 cases, out of the 21 dismissals of this type appealed to it, the action of the Secretary-General did not accord with the applicable regulations. As a consequence, damages amounting to \$170,730 were awarded. The eighth General Assembly did not appropriate any money to pay the awards. Instead, it decided to ask the International Court of Justice for an advisory opinion on whether the Assembly has the right on any grounds to refuse to give effect to Administrative Tribunal awards and, if so, on what principal grounds. The United States abstained on this decision. The United States held that the Tribunal had exceeded its jurisdiction and had reached erroneous conclusions and that the Assembly should rectify the situation by refusing to pay the awards. The United States is itself thoroughly convinced that the Assembly must consider and approve any appropriation and has the right on its own initiative to review awards of the Tribunal. However, the United States could not reasonably oppose the desire expressed by many other members to have advice from the International Court on the legal points involved. This question will again be discussed at the ninth Assembly session.

THE DEPARTMENT

Designations

Robert Newbegin as Director of the Office of Middle American Affairs, effective August 16 (press release 484 dated August 27).

Rolland Welch as Deputy Director of the Office of South American Affairs, effective August 23 (press release 483 dated August 27).

Appointment

John Walter Roxborough, II, as consultant to the Secretary on administration, effective August 24 (press release 475).

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No.	Date	Subject
470	8/23	Dulles: Rumanian coup d'état.
*471	8/23	Educational exchange.
472	8/24	Dulles: EDC treaty.
473	8/24	Dulles: Bipartisanship in foreign policy.
474	8/24	Delegates to Congress of Cell Biology.
475	8/24	Roxborough: Consultant on administration.
476	8/24	Delegates to Geodesy and Geophysics Union.
477	8/25	Delegation to S.E. Asia pact meeting.
*478	8/26	Short: Consultant on refugee relief.
479	8/27	Sanborn appointment.
480	8/27	Merchant: Our European allies.
481	8/27	Peurifoy: Communism in Guatemala.
482	8/27	Holland trip to South America.
483	8/27	Welch: Deputy Director of OSA.
484	8/27	Newbegin: Director of MID.

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The Department of State

bulletin

Vol. XXXI, No. 794

September 13, 1954



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The Department of State bulletin

VOL. XXXI, No. 794 • PUBLICATION 5582

September 13, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

Principles of U.S. Foreign Policy

*Address by the President*¹

For the third time since World War II, I am honored to join a national convention of the American Legion. With you, I give thanks that at last we can come together at a time when the sounds of battlefields, everywhere in the world, have been stilled.

In such a gathering, made up of those who have served our country in time of war, it seems fitting that we turn our attention to our international affairs and the Nation's security. Now, in saying this, I do not mean that any group or any section of America has a monopoly either of interest or of wisdom in dealing with complex world problems.

The contrary is true. The term "bipartisan participation" is too narrow to describe accurately the attitude that all Americans should maintain in this great area of vital concern. Rather, we should speak of universal or national participation, which would in turn imply serious study, analysis, and debate of every proposal and issue presented.

The world must understand that there is stability in our international purposes. Obviously, this cannot be obtained if there is to be marked change or if the world is to fear a marked change with every varying of partisan political winds. The only answer is that the whole American people must be informed and their decisions be made clear.

Of course, it is obvious that much of the diplomatic work, particularly those efforts classed as preparatory toward the reaching of agreements, be conducted in confidence. The political situations in the several free countries are not identical, and premature disclosures of positions and arguments could very well bar the attainment of any reasonable solution. But on broad objectives and purposes, and on the acceptable methods for obtaining them, the American people must be fully informed. Thus, their decisions will be appropriate

to the situation, and the world will know that they are stable in terms of time.

This comprehensive approach is difficult to achieve; perfection cannot, of course, be attained. But the first lesson in today's complicated world affairs is that they are far too important to all of us for any one party or any one group to risk the exclusion of other Americans in reaching answers that will eventually affect the fate of all of us. Success or failure in all we hope to accomplish in attaining a peaceful world may well hinge upon our success in eliminating politics and prejudice from our Nation's efforts toward this goal.

Basic to our analysis of our present world situation is clear recognition of several important truths. I mention only a few of these, but these few we can forget only at our peril.

The first is that the Communist dictatorship—ruthless, strong, insatiable—is determined to establish its sway over all the world. This truth requires no elaboration. All Americans recognize it as a fact.

The second truth is that the Communist dictatorship is adroit in its selection and use of every imaginable weapon to achieve its ends. It uses force and the threat of force. It uses bribery, subversion, and sabotage. It uses propaganda.

The Propaganda Weapon

This last weapon—propaganda—is one which emphatically requires from us new and aggressive countermeasures. There is a dangerous disproportion between our country's efforts to tell the truth about freedom and our Nation's objectives on the one hand and the propaganda of the Red dictatorship on the other. For every spokesman of freedom that we assign to the struggle for men's minds and hearts, the Communists assign scores; for every dollar we spend for informational purposes, they spend 50 in opposition; for every word we utter in the cause of liberty and faith, they utter thousands to extol their system and to degrade and defame the values of the free.

¹Made before the American Legion at Washington, D. C., on Aug. 30.

Legionnaires, we must preach, demonstrate, and tirelessly sell the vitality and value of freedom in the world. Nothing is more dangerous to our cause than to expect America's message to be heard if we don't bother to tell it.

We must reaffirm to the oppressed masses of the earth the great truth that the God who gave life to humanity at the same time gave the right of liberty to man. And in our own interest we must apply both our intelligence and the necessary material means to assist other peoples to realize for themselves the blessings of freedom and of self-government.

Now, another Red weapon which we must vigorously counter is subversion. This phase of the worldwide battle goes on constantly. Fortunately, many nations have become alerted to the dangers of this menace and are taking steps against it.

During the past year the nations of this hemisphere, at Caracas, jointly declared international communism to be a menace to all.² Heartened by this resolute stand, the majority of the Guatemalan people rose to defeat the first specific attempt of Communist imperialism to establish a beachhead in this hemisphere.

In the battle against subversion within our own land, I am aware that you of the American Legion have been leaders for a third of a century. For this vigorous stand, the Nation has cause to be grateful. I know that from your determined leadership our people will continue to benefit.

Your Government will continue to wage relentless battle against subversion and infiltration. We shall do so not by halfhearted half measures which complacently accept or ignore the untrustworthy and the disloyal, but by measures realistically adjusted to the nature and magnitude of the Red conspiracy.

We have been intensively using existing laws against subversion. During the past 19 months the rate of convictions and deportations secured by the FBI and the Department of Justice has been stepped up. In addition, with the cooperation of the Congress we have written a number of new laws to help us blot out the Communist conspiracy. While a few of these may need modification based upon experience, the aggregate gain will be very substantial.

And of this you may be sure: As we continue this battle we shall not impair the constitutional safeguards protecting our liberties, yours and mine. Our Nation is too strong to give way to hysterical fear which, under the guise of preserving our institutions, would undermine the principles upon which they rest. I know the American Legion will support this wise, traditionally American approach.

I have dealt with two truths essential to our appraisal of the world situation—the implacabil-

ity of the Communist drive toward world domination and the readiness of the Communists to use any weapon to achieve their ends.

Need for Free World Unity

A third truth is this: The safety of any single nation in the free world depends directly upon the substantial unity of all nations in the free world. No nation outside the Iron Curtain can afford to be indifferent to the fate of any other nation devoted to freedom.

If each, ignoring all others, pursues only its own course toward its own ends, the Communists would have unlimited opportunity to turn the full force of their power upon any selected victim. Each, beginning with the weakest and the most exposed, might succumb in turn, until the strongest of all—ourselves—would be left alone to face a hostile world. The final result would be fearful to contemplate. We will never permit it to happen.

The free countries of the world have tremendous assets—in people, in productive resources, in the staying power and flexibility of free institutions. How effectively and how unitedly these countries employ these resources may well determine the outcome of the present world struggle.

This is why your national administration tirelessly seeks to solidify partnerships within the free world. I should like to talk to you briefly about certain meanings of those partnerships.

First and foremost, we can have no partnership with any nation that does not itself desire world peace and want to work for it. In this modern age, war as an instrument of deliberate policy is so unthinkable for us that we could not possibly work in permanent harmony with any nation which fails to share our peaceful convictions.

On this basis we participate in alliances with other nations of good will. Today we are allied with 13 nations under the North Atlantic Treaty, with 19 American nations in the Rio Pact, and with 6 nations in the Pacific.

Now, what should we expect of these partners? And what should they expect of us?

The answer should be sharply clear: We must work together on a principle of united freedom. In our common values and purposes, in our common interests and goals, we and our partners must be solidly joined together. To fail in this is to invite peril. At the same time, in our thoughts, in our practical decisions, in our actions as sovereign countries, we and our partners are and must be free. Because we can be at once united and free, we can be strong. And let no one ever mistake the origin of this strength.

This principle makes clear the scope of our mutual obligations. If we ignore it, we create unrealizable expectations on both sides. Then,

² BULLETIN of Apr. 26, 1954, p. 634.

any divergence in action or reaction is likely to give the impression that one side is "unfaithful" to the other.

In practical terms, this principle means that we are not committed to giving any of our partners a veto over our actions, nor do we have a veto over their actions. We must, therefore, guard against the dangerous assumption that other nations, as our allies, are bound to do what we want. They have never bound themselves in this sense. Nor have we bound ourselves to do what they want.

But all free nations have a continuing obligation to strengthen the recognition of the common values and interests of all peoples menaced by Communist imperialism. We must ceaselessly affirm our belief in the blessings of the hearts of free men and must inspire their every free action and decision. For in these ideals is a rich and living unity. Free men who have it will never willingly exchange it for the stifling shroud of regimentation under which the Communist despotism hides its silent, captive peoples.

The fourth truth, closely related to the third, is this: From the resources of the free world must be developed the many kinds of strength required to oppose successfully the broad front of Communist pressure.

We and our friends must be strong spiritually and intellectually so that neither fear, nor ignorance, nor lack of determination can lead us into defeat.

There must be a strong free-world economy so that free nations can support the military strength they need and also to help alleviate hunger, privation, and despair, which the Communist leaders so successfully exploit.

The free world must be strong in arms—to discourage aggression, or to defeat it if the Communists are so unwise as to attack.

Setbacks and Successes

Now, this task of keeping the free world strong and healthy is complex and continuous. It is indeed difficult to organize world peace. It calls for steady effort by the free nations to work patiently together in solving problems reaching to every corner of the globe. Inevitably this process is marked by setbacks as well as successes. In Europe, for example, the progress of EDC has not fulfilled our hopes. Yet, meanwhile, longstanding disputes in Egypt and Iran have been settled, and measures for the collective defense are going forward in Southeast Asia. Neither the ups nor downs justify any slackening of our efforts. The free world must build on its successes and be spurred to new endeavor by its setbacks.

The fifth truth—most important to us as a nation—involves our own place and function in the great cooperative effort to preserve security and peace.

Of all the free nations, our country is in many ways the richest and the strongest. Thus, there

is imposed upon us a heavy share of the whole burden of free world security. Obviously, we cannot help others unless we remain strong ourselves—strong in spirit, strong in economy and productivity, and strong in military might.

Now, a few plain statistical facts about our military: Our military strength is the product of our scientists, our working men and women, our industrialists, our military leadership—our entire people.

Today the United States has the most powerful and the most efficient fighting force it has ever maintained short of all-out war. In fact, in some respects it is the most powerful ever developed.

We have an Air Force of growing effectiveness. It has 50 percent more jets than it did last year. It possesses awesome power.

We have a mighty Navy, with thousands of active aircraft. It is a world leader in nuclear propulsion.

We have our strongest peacetime Army, equipped with modern weapons, trained under modern doctrine. It is capable of carrying out its assignments in the modern world.

We have a Marine Corps, tough and strong, rightly proud of its traditional esprit and readiness.

And all of this great power is supported by developing intelligence and warning systems of constantly increasing effectiveness and scope.

Perhaps you would permit me to interject here that the civil defense program must be remembered as another arm of our true national defense. What this American Legion can do to inspire people to participate actively as responsible citizens in the civil defense program adds that much to our national and our individual security.

Now, my friends, by no means do I intend this series of facts about the character of our fighting forces to be interpreted as blustering or as a threat to anyone.

Let us always remember that our basic objective is peace. But in our search for peace—indeed, in order to enhance that search—we are determined to remain secure.

Another thing about this fighting force: For a century and a half the Republic has prided itself on its refusal to maintain large standing military forces. We have relied, instead, upon the civilian soldier. But we have done so without being fair either to the private citizen or to the security of the Nation. We have failed miserably to maintain that strong, ready military reserve in which we have believed or professed belief for 150 years.

Now at long last, we must build such a reserve. And we must maintain it. Wishful thinking and political timidity must no longer bar a program so absolutely essential to our defense.

And one point about this needs special emphasis: This reserve will not unfairly burden men who have already served.

Establishment of an adequate reserve—an objective for which the American Legion and other patriotic organizations have vainly fought for a generation—will be a number-one item submitted to the Congress next year.

And I repeat: As we contemplate this powerful military system, we must always remind ourselves that we maintain it only because we must. We must remember that armaments alone cannot provide for the world a future that is secure and peaceful and filled with promise for humankind.

U.S. Foreign Service

Now, my friends, the foreign policy of our country is simply a program for pursuing peace under methods that conform to these and other truths of today's international existence. Essential to its success are the loyal and effective officers of our Foreign Service, serving under the inspired leadership of Secretary of State Dulles. With a few highly publicized exceptions, we have been fortunate in the high competence, professional ability, and devotion of these officers upon whom we must depend in our delicate and difficult negotiations with other nations and in assuring the world of our peaceful purposes.

In respect to that pursuit of peace, America does not change. No responsible individual—no political party—wants war or wants to damage America. The only treasonous party we have is the Communist Party. No matter how deep may be our differences in other fields, in this we are all Americans—nothing else. Of course, we recognize that, in applying such a policy to the many troublesome and difficult problems which beset the free world, there will continue to be differences of opinion and frictions about particular issues.

But difficult as our course is, we would do well to reflect that we can, in wisdom and humanity, choose no other way. To follow the path of isolation would surrender most of the free world to Communist despotism and ultimately forfeit our own security. Deliberately to choose the road to war would needlessly place in jeopardy the civilization which we are determined to preserve.

We shall not be sidetracked into either of these dead ends. We shall continue to give expression to our people's deep-seated desire to live at peace with all nations. In pursuance of this effort, we have loyally supported and worked with the United Nations, which, in its first 9 years, has

accomplished much in the cause of peace. Clearly it has often failed to fulfill our hopes. But that is no reason to weaken our support.

In the quest for peace, we have sought to resolve specific international disputes. In June of last year we negotiated a truce which ended the Korean War, preserved the Republic of Korea's freedom, and frustrated the Communist design for conquest. In January, at the Berlin Conference, we sought a Communist agreement to the establishment of a free and united Germany and an Austrian peace treaty. At Geneva in April we sought the peaceful unification of Korea and tried to help settle the Indochinese war.

We have suggested other means for reducing tensions. In April last year, our Nation outlined general principles for world understanding. Last December we suggested the international pooling of atomic resources for peaceful purposes. Unfortunately, the Communist reaction to both proposals has been indifferent or negative.

This Government will continue, nevertheless, to examine, with our friends, applicable methods for making nuclear science serve the needs of mankind. Moreover, we will continue to give voice to the free world's aspiration for peace. Despite the discouraging results on specific proposals, I believe that continuing United States efforts to persuade the Soviets to consider such solutions advance the cause of peace. And the door will always be open for their participation whenever they demonstrate sincere purpose to do so.

Nor do we despair of eventual success. No human problem is insoluble. In the earnest belief that these basic purposes conform to the will of the Highest of All Rulers, the United States will continue to pursue them. In this paramount cause of this century, this Nation must have the help of all its citizens. It must have their understanding, their determination, their readiness to sacrifice—and, above all, the strength and daring of their faith.

To help keep America strong, to help keep her secure, to help guide her on the true path to peace, there is no group better qualified than you of the American Legion.

Specifically for this reason, I repeat my expressions of pride and distinction in having this opportunity to address you today.

May courage, wisdom, and determination guide the deliberations of this convention and make the American Legion an instrument of ever-increasing value to the whole of America and the free world.

French Rejection of EDC

STATEMENT BY THE PRESIDENT

Speaking at the Iowa State Fair at Des Moines on August 30, the President referred to the fact that in the conduct of U.S. foreign affairs "there are successes and there are setbacks." After discussing the Iranian oil settlement, the Suez agreement, and the Communist defeat in Guatemala, he continued:

We have had our setbacks. One of the major setbacks was reported in your papers today, the rejection by the French Parliament of the French proposition to establish in Europe the European Defense Community. This was a device by the French whereby the free world could establish—without indulging in the traditional fights among themselves in Western Europe—security from any threat from without.

This proposal was established to allow Germany—Western Germany—to enter into a defensive alliance without any danger whatsoever it would be in a position to start a war or to engage in any kind of aggression because of the characteristics of the plan. The United States, Great Britain, and all the Western nations stood for it and approved this great French plan.

Now there is no disguising the fact that this is a serious setback, but what I want to say is this: The free world is still overwhelmingly strong as compared to the Iron Curtain countries—in the people we have, in their levels of intelligence and understanding, in their skills in agriculture and in industry, in their adherence to a cause rather than in regimented adherence to a government, finally in their tremendous productivity and indeed in the sum total of their military might.

STATEMENT BY SECRETARY DULLES

Press release 486 dated August 31

The French rejection of the European Defense Community is a saddening event. France thus turns away from her own historic proposal made nearly 4 years ago. That proposal sought a unification of the military strength of continental Europe into a single European army so as to end the era of recurrent European wars, the last two of which became world wars.

The French action does not change certain basic and stubborn facts:

(a) The effective defense of continental Europe calls for a substantial military contribution from the Germans; yet all, including the Germans themselves, would avoid national rearmament in a form which could be misused by resurgent militarism.

(b) Germany cannot be subjected indefinitely to neutrality or otherwise be discriminated against in terms of her sovereignty, including the inherent right of individual and collective self-defense. Limitations on German sovereignty to be permanently acceptable must be shared by others as part of a collective international order.

(c) The prevention of war between neighboring nations which have a long record of fighting cannot be dependably achieved merely by national promises or threats, but only by merging certain functions of their government into supranational institutions.

To deal with these facts was the lofty purpose of EDC. Four of the six prospective members of EDC had ratified that treaty—Belgium, Germany, Luxembourg, and the Netherlands. A fifth, Italy, was on the point of ratifying it. The United Kingdom and the United States had made far-reaching commitments of association with EDC.¹ France thus disassociates herself not only from her own proposal but from her prospective partners who had stood united at the recent Brussels conference.

The U.S. postwar policies beginning in 1946 were framed on the assumption that Western Europe would at long last develop a unity which would make it immune from war as between its members and defensible against aggression from without. The imperative need for that unity was recognized by the leading statesmen of all the free nations of Europe. The United States joined the North Atlantic Treaty defensive alliance with the Western European countries. We assisted these countries to recover from the weakening of World War II. Both on the economic and military side we made massive contributions. We stationed the equivalent of six divisions in Europe. We furthermore made our leading military figures available to assume high positions in the military organization designed to defend Western Europe.

The French negative action, without the provision of any alternative, obviously imposes on the United States the obligation to reappraise its foreign policies, particularly those in relation to Europe. The need for such a review can scarcely be questioned since the North Atlantic Council of Ministers has itself twice declared with unanimity that the EDC was of paramount importance to the European defense it planned. Furthermore, such review is required by conditions which the Congress attached this year and last year to authorizations and appropriations for military contributions to Europe.

The Western nations now owe it to the Federal Republic of Germany to do quickly all that lies in their power to restore sovereignty to that Republic and to enable it to contribute to interna-

¹ BULLETIN of Apr. 26, 1954, p. 619.

tional peace and security. The existing treaty to restore sovereignty is by its terms contingent upon the coming into force of EDC. It would be unconscionable if the failure to realize EDC, through no fault of Germany's, should now be used as an excuse for penalizing Germany. The Federal German Republic should take its place as a free and equal member of the society of nations. That was the purport of the resolution which the U. S. Senate adopted unanimously last July,² and the United States will act accordingly.

The United States stands ready to support the many in Western Europe who despite their valiant efforts are left in grave anxiety. We need not feel that the European idea is dead merely because, in one of the six countries, a present majority seems against one of its manifestations. There is still much on which to build, and those foundations should not be shaken by any abrupt or any ill-considered action of our own.

It is a tragedy that in one country nationalism, abetted by communism, has asserted itself so as to endanger the whole of Europe. That tragedy would be compounded if the United States was thereby led to conclude that it must turn to a course of narrow nationalism. It is a matter of elementary prudence that the United States should review its dispositions and planning in the light of the new situation now created. We are fortunately so situated that we do not need to identify ourselves with what to us seem self-defeating policies. We have flexibility to adjust our own policies to take account of developments elsewhere. In doing so, we shall be governed by the realization that we cannot in isolation find safety for ourselves.

When the NATO Ministerial Council came to adjourn last April to meet next December, I pointed out that if the EDC failed of realization that would create an emergency situation which would call for a special meeting of that Council. That condition has arisen, and the United States believes that there should promptly be a special meeting of the NATO Ministerial Council, as well as early consultations with Chancellor Adenauer. We shall move accordingly.

Secretary Dulles Leaves for Manila Conferences

Statement by the Secretary

Press release 487 dated August 31

I am leaving for Manila to participate in two important conferences.

The first is a meeting of the Philippine-United

² *Ibid.*, Aug. 23, 1954, p. 284.

States Council, which will take place on September 4. The Council was recently established under our Mutual Defense Treaty of 1951. The relationship of our two Republics is intimate, as is fitting in view of our close historic ties for over half a century.

The second conference is to commence on September 6. It will be attended by eight countries having interests in Southeast Asia. We shall consider the desirability of a security treaty. Of equal importance will be the opportunity to exchange views with the representatives of other countries interested in the Southeast Asia area. We hope to find and to develop a genuine meeting of minds as to what should be done to halt Communist expansion in that area. I also hope that ways and means can be found to enable Cambodia, Laos, and Southern Viet-Nam to become free, vigorous, and liberty-loving nations, and that the whole area can be strengthened by a sense of solidarity.

Soviet Attack on U.S. Plane in Sea of Japan

Following are the texts of notes exchanged on September 5 between the United States and the Soviet Union on the shooting down of a U.S. Navy patrol bomber in the Sea of Japan on September 4:

FIRST U.S. NOTE

Press release 493 dated September 5

A U.S. Navy P2V aircraft was attacked without warning by two MIG-type aircraft with Soviet markings at 1818 September 4 (local time). This attack took place over the international high seas approximately one hundred miles east of Vladivostok and forty-four miles from the Siberian coast.¹ Each Soviet aircraft made one firing run on the U.S. Navy aircraft and disappeared towards the Siberian coast. As a result of this unwarranted and hostile attack, the U.S. Navy aircraft was destroyed. To this hour all survivors have not been recovered.

The U.S. Government protests this wanton and unprovoked attack on a U.S. Navy aircraft engaged on a peaceful mission over the high seas. The U.S. Government requests that measures be taken to subject those responsible to immediate and appropriate punishment. The U.S. Government reserves all rights to claim damages for loss of property and lives and for other circumstances resulting from this illegal attack by Soviet aircraft.

¹ On Sept. 6 the U.S. Navy stated that the incident had occurred about 120 to 125 miles southeast of Vladivostok.

SOVIET NOTE

According to precisely established facts, on Sept. 4, 1954, at 1912 hours Vladivostok time, a twin-engined military aircraft of the Neptune type with identification marks of the United States Air Force violated the state frontier of the U.S.S.R. in the area of Cape Ostrovnoi, east of Port Nakhodka.

When two Soviet fighters approached the violating United States plane for the purpose of indicating to it that the plane was within the boundaries of the U.S.S.R. and of proposing that it should leave immediately the air space of the Soviet Union, the American plane opened fire on them.

In connection with this, the Soviet planes were forced to open fire in return, after which the American plane flew off in the direction of the sea.

The Soviet Government deems it necessary to draw the attention of the Government of the U.S.A. to the fact that this is not the first case of violation by American military planes of the state frontier of the U.S.S.R.

The Soviet Government makes a resolute protest to the Government of the U.S.A. against this new gross violation of the Soviet frontier by a United States military aircraft.

It insists that the persons guilty of this violation be dealt with severely and expects that the Government of the U.S.A. will immediately take steps for the prevention in future of the violation by United States planes of the state frontier of the Soviet Union.

SECOND U.S. NOTE

Press release 494 dated September 5

The United States Government rejects as completely without foundation in fact the allegations contained in the Soviet Government's note number 340 dated September 5, 1954. As was stated in the Embassy's note number 160 dated September 5, 1954, the U.S. Navy aircraft was on a peaceful patrol mission over the high seas some forty miles from the Siberian coast when it was attacked without warning and destroyed by two Soviet aircraft. At no time did the U.S. Navy aircraft open fire on the Soviet aircraft.²

The United States Government declares once more that it reserves rights to present claims for damages and expects that measures will be taken not only to subject those responsible to immediate and appropriate punishment but also to prevent recurrence of such wanton and unprovoked attacks.

² Subsequent information obtained by the Navy disclosed that, after the second pass by the MIG's, one of the gunners on the U.S. plane was able to get off about 100 rounds of .50-caliber ammunition.

New Atomic Energy Act

Statement by the President

White House press release dated August 30

Because of great progress in the field of atomic energy during the past 8 years, I recommended early this year¹ that the Congress modernize the Atomic Energy Act of 1946, the basic law governing our vast atomic enterprise. This new legislation was enacted by the Congress in pursuance of that recommendation.

The new act permits us, under proper security safeguards, to give our allies certain information that they must have for an effective defense against aggression. This information includes data needed for training in the use of and defense against atomic weapons and for evaluating the atomic capabilities of a potential aggressor. Agreements of this type with our allies will greatly strengthen our common defense and security.

This act also sets up procedures to encourage certain exchanges of nonmilitary atomic technology. Thus it recognizes the excellence of the atomic energy programs in certain other nations, and the groundwork is laid for wider participation in the peacetime applications of atomic energy. For example, under the act our technicians can assist friendly nations or groups of nations in building reactors for research and power.

Also reflected in the new law is the fervent desire of our people to proceed with a plan for an international atomic energy agency which would advance the peacetime applications of atomic energy, as we proposed last December to the United Nations. Although progress on this plan has been impeded by Soviet obstruction and delay, we intend to proceed—with the cooperation and participation of the Soviet Union if possible, without it if necessary.

That it is time to draw more specifically into the national atomic energy program the initiative and resources of private industry is recognized in the new law. For instance, private industry is enabled to participate more fully in the development of economic nuclear power, while the Government continues to assist this progress with basic research and the building of experimental reactors.

Debate on this legislation revealed some misunderstandings about the effect of certain of its provisions on public and private development of electrical power from the atom. I want our people to know that these provisions are designed eventually to relieve the taxpayer of the enormous cost of the commercial aspects of the enterprise, while fully protecting the public interest in atomic

¹ BULLETIN of Mar. 1, 1954, p. 303.

energy. In fact, these provisions carry into effect the 1946 policy declaration of the original Atomic Energy Act, that free competition in private enterprise should be strengthened.

As I sign this bill, I am confident that it will advance both public and private development of

atomic energy, that it will thus lead to greater national strength, and that programs undertaken as a result of this new law will help us progress more rapidly to the time when this new source of energy will be wholly devoted to the constructive purposes of man.

Recent Developments in the International Control of Narcotics

by George A. Morlock

International measures to control the legal trade in narcotics and to combat the illicit traffic therein have been taken progressively since the early years of the present century. Under the leadership of the United States the first international convention relating to narcotics was signed at The Hague on January 23, 1912. Although it was a complete instrument, the best that could be obtained, it was not adequate, and the illegal traffic in opium, morphine, heroin, cocaine, and cannabis (marihuana) grew at an alarming rate.

Perceiving that control machinery was necessary to suppress the abuse of these dangerous drugs, the nations of the world adopted another international narcotics convention which was signed at Geneva on February 19, 1925. Under this convention a board of eight was set up, members of which do not represent governments but are chosen on the basis of their individual qualifications and serve without pay. The Board watches and reports on the volume of the traffic and gives warning if drugs are accumulating excessively in any country.

Limitation of the manufacture and regulation of the distribution of narcotics were brought about in a further international convention signed on July 13, 1931, at Geneva. Control is effected by a system of estimates of narcotics requirements and statistical returns covering amounts imported, exported, manufactured, consumed, confiscated, and converted into other substances. A board of four members, called the Supervisory Body, established by this convention, passes on the estimates and publishes them each year in December for the guidance of all states and territories. This convention has been remarkably effective in controlling manufactured narcotics. Even nonparties feel the force of its provisions, for it authorizes the Supervisory Body to fix estimates for countries that are not parties and that fail to submit

estimates of their requirements. Parties to the 1912 convention number 70, to the 1925 convention, 64, and to the 1931 convention, 75.

Another organization which is important in connection with international cooperation to suppress the abuse of narcotic drugs is the Commission on Narcotic Drugs, which was created on February 16, 1946, by the Economic and Social Council of the United Nations¹ as successor to the Advisory Committee of the League of Nations on Traffic in Opium and other Dangerous Drugs. The Commission is empowered, among other things, to assist the Council in exercising such powers of supervision over the application of international conventions and agreements dealing with narcotic drugs as may be assumed by or conferred on the Council, and to advise the Council on all matters pertaining to the control of narcotic drugs, and to prepare such international conventions as may be necessary. The Commission is composed of 15 members of the United Nations that are important producing or manufacturing countries or countries in which illicit traffic in narcotic drugs constitutes a serious social problem. The present (1954) members of the Commission are Canada, Nationalist China, Egypt, France, Greece, India, Iran, Mexico, Peru, Poland, Turkey, Union of Soviet Socialist Republics, the United Kingdom, the United States, and Yugoslavia.

Appearance of Synthesized Drugs

Early in 1947 a menace arose from a new direction. Synthesized drugs to the number of 15 appeared on the market and could not be controlled under the existing international conventions. These drugs were believed to be capable of pro-

¹ Ecosoc Res. Feb. 16, 1946 (doc. E/20, Feb. 15) and Council action of Feb. 18, 1946.

ducing addiction, and action was immediately taken to remove this danger to the public health. In the short period of 14 months the United Nations, through its Commission on Narcotic Drugs, the Economic and Social Council, and the General Assembly, drafted and approved a protocol bringing under international control drugs outside the scope of the convention of July 13, 1931, for limiting the manufacture and regulating the distribution of narcotic drugs, as amended by the protocol of December 11, 1946. The new protocol was opened for signature on November 19, 1948, when it was signed by the United States and 46 other states. To date (August 1954) 28 states are parties to this protocol. Under the protocol the World Health Organization determines whether a new drug is likely to be addiction-forming and should be placed under the control of the provisions of the 1931 convention.

The position of the United States in regard to limitation of the production of the opium poppy was set forth in House Joint Resolution 241 approved by the President on July 1, 1944 (Public Law 400, 78th Congress), pursuant to which the United States Government urged all poppy-growing nations to enter into an international agreement to reduce the production of opium to the medical and scientific needs of the world.

In 1947, on the proposal of the United States representative, the Commission on Narcotic Drugs recommended to the Economic and Social Council of the United Nations that the Secretary-General be instructed to undertake the drafting of a new single convention to replace the existing treaties (Ecosoc Res. 159 D VII). Pending the adoption of such an international convention it was decided, however, to try to reach an interim agreement limiting the production and export of opium. Several meetings of representatives of the opium-producing and drug-manufacturing countries were held at Ankara and Geneva, during which a plan was introduced for the reorganization of the trade in opium and its transformation into an international monopoly. Agreement was not reached on the principles of the basic price of opium, inspection, competition from poppy straw, and manufacture of opium alkaloids in countries that produced opium.

The deadlock was broken by the representative of France, who submitted to the Commission a draft protocol relating to the production of opium based on the principles of the 1931 convention. It was decided not to resume discussion of the opium monopoly, and the Secretary-General forwarded the French draft to governments for their observations in accordance with resolution 395 B XIII of the Economic and Social Council.

J.N. Opium Conference

The United Nations Opium Conference was convened on May 11, 1953, by the Secretary-

General in accordance with a resolution of May 27, 1952, of the Economic and Social Council. Thirty-four countries attended, including both member and nonmember states, and seven additional countries were represented by observers. The Union of Soviet Socialist Republics and its satellites did not send representatives to the Conference. The Conference adopted by a vote of 27 to 0, with two abstentions, the Protocol for Limiting and Regulating the Cultivation of the Poppy Plant, the Production of, International and Wholesale Trade in, and Use of Opium, and opened this protocol for signature on June 23 and before December 31, 1953.² As of December 31, 1953, it had been signed by 36 states, including the United States.

The more important provisions of the protocol are as follows:

Raw opium, medicinal opium, and prepared opium are subject to the control measures of the protocol.

The use of opium is limited exclusively to medical and scientific needs.

States producing opium are obligated to establish government agencies to control the production, use, and trade in opium and limit the area to be cultivated.

Parties producing poppy straw must enact laws ensuring that opium is not produced from such poppies.

Exporters shall be Bulgaria, Greece, India, Iran, Turkey, the Union of Soviet Socialist Republics, and Yugoslavia. Imports are restricted to opium produced in these states.

Stocks of opium held on December 31 of any year shall be limited in respect of producing, manufacturing, and consuming countries.

Estimates of opium requirements shall be submitted to the Permanent Central Board, which assists in the control of the legitimate traffic in narcotics under the international conventions concerned with narcotic drugs.

Statistics must be submitted to the Board on the area devoted to poppy cultivation, amounts consumed and manufactured, seized, etc.

The Board is authorized to keep a close watch over the traffic in opium and to recommend or impose an import or export embargo on a party that is believed to be the center of illicit traffic. Provision is made for appeal from an embargo to a committee of three appointed by the president of the International Court of Justice.

A party may permit use of opium for quasi-medical purposes but not beyond 15 years after the coming into effect of the protocol.

A party may permit the smoking of opium by addicts not under 21, if registered for such purpose before September 30, 1953.

² For text, see *Cong. Rec.* of Aug. 20, 1954, p. 14589.

The Final Act of the Conference,³ to which the protocol is annexed and which includes 17 resolutions adopted by the Conference, was adopted by a vote of 28 to 0, with one abstention, and was signed by the representatives or observers of 34 states.

This protocol was transmitted by the President to the Senate of the United States on April 14, 1954, with a view to receiving the advice and consent of the Senate to ratification.

Public Hearing on Protocol

A public hearing was held at New York City on July 17, 1954, before a subcommittee of the Senate Committee on Foreign Relations consisting of Senator Alexander Wiley (Chairman), Senator Mike Mansfield, and Senator Homer Ferguson. Testimony was presented by Harry J. Anslinger, Commissioner of Narcotics, United States Treasury Department; David McK. Key, Assistant Secretary of State for United Nations Affairs; William Tompkins, Assistant Attorney General in charge of Internal Security; and a number of law-enforcement officials and private citizens.⁴ All of the witnesses endorsed the proposed protocol.

In his statement to the subcommittee Assistant Secretary Key said in part:

The Department of State hopes the Senate will give advice and consent to ratification of this Protocol because the Department firmly believes that the protocol will be beneficial to the United States.

It is a well-known fact that the United States is one of the principal targets of the vicious illicit international traffic in narcotic drugs. The suppression of this traffic can be attained only through international cooperation.

From the beginning of the 20th century, it has been the policy of the United States that the production of opium should be limited to the world's medical and scientific requirements. At all international conferences relating to narcotics, strong efforts have been made by the representatives of the United States to achieve this result through international action. . . .

The time had come now to extend as far as possible to raw opium and opium poppies the provisions of the 1931 Convention. Success is now within sight after years of patient effort. . . . The protocol represents an important step forward in the international narcotics control system. It will fill the gap in the 1931 convention as regards the control of opium by requiring countries to provide estimates of their needs of and statistics covering their trade in this narcotic drug. The effect will be a reduction in the quantity of opium available for the illicit traffic.

Regarding the Soviet bloc, Mr. Key said: "The Soviet bloc was not represented at the Conference.

³ For text, see *ibid.*, p. 14593.

⁴ *Hearing before a Subcommittee of the Committee on Foreign Relations, United States Senate, 83d Congress, 2d Session, on the International Opium Protocol, July 17, 1954.*

The Protocol, however, does include the Soviet Union in the list of seven states that are permitted to export opium."

Commissioner Anslinger made the following statement to the subcommittee:

The purpose of this protocol is to reduce production of opium from 2,000 to 500 tons, which represents the medical needs of the world. It is proposed that limitation be effected by national agencies owned and administered by States which will license and limit the cultivators and control all trade in opium. I might say up to this time the farmers have not been licensed in those producing countries. . . .

This treaty is about the best instrument which can be obtained at this time. There are countries like China, Burma, Thailand and Mexico where opium is grown illegally, and those governments must take firm measures to cope with this illegal production.

The protocol represents a great advance over previous treaties of which there are eight in number. For the first time there is no provision for smoking opium which has now become outlawed except for a very few areas in Pakistan and India which will be taken care of by reservations and which will be a temporary situation. In the past treaties relating to opium have served as protection for countries like Great Britain, France, the Netherlands, Portugal, and Japan, which maintained smoking opium monopolies in the Far East. . . .

The principal countries to benefit from this protocol will be the United States, Canada, Egypt, France, Italy, Germany, and many other countries which are at present suffering from an increase in drug addiction. . . .

Beginning with the first meeting of the United Nations Commission in 1946, Communist China attempted to unseat Nationalist China. Their efforts were defeated year after year. . . .

I do not believe they have any place in the Commission, because certainly they are the worst offenders. Red China represents the major source of illicit traffic for the entire world. . . .

Southeast Asia is flooded with opium from Yunnan. Japan today is suffering from the greatest flood of heroin in her history. . . . The amount of heroin that is flowing out of China is used for several purposes: to obtain foreign exchange (it is a very good means of obtaining foreign exchange, since they cannot export other commodities) and also the demoralization of people who use this deadly drug in many countries. That is certainly one of the objectives—you cannot get away from that—a poison being spread from Red China.

The Committee considered the protocol in executive session on August 7, 1954, and voted without objection to report it to the Senate.

On August 20, 1954, the Senate voted 71 to 0 to give its advice and consent to ratification of the protocol. As of August 31, 1954, Canada, China, Denmark, Egypt, France, Japan, and Panama had ratified.

Step Forward in Narcotics Control

The protocol represents a step forward in the narcotics control system. It will limit and reduce the production of opium. For the first time statistics will be required covering the trade in opium. The requirement that estimates of needs of opium be submitted to the Board will enable the Board to watch over-production in the producing states. The fact that the Permanent Central Board is given authority to impose an import or export embargo on a country that is not complying with the protocol and is becoming the center of illicit traffic will serve as a check on producing countries.

The United States will implement the protocol by new legislation, if necessary. The Opium Poppy Control Act of 1942, as present legislation, would represent an important part of implementation of this protocol by legislation.

The present protocol, as previously stated, is an interim agreement. It is hoped that it will eventually be incorporated in the proposed single convention suggested by the United States representative on the Commission on Narcotic Drugs during the Commission's second session and approved by the Economic and Social Council in its resolution 159 VII. This resolution requests the Secretary-General of the United Nations to begin work on the drafting of a new single convention in which provision shall be made for a single body to perform all control functions, excepting those which are now or may hereafter be entrusted to the Commission on Narcotic Drugs. The Single Convention will replace the eight existing instruments relating to narcotic drugs and is expected to include provisions for the limitation of the production of narcotic drugs.

Agreement was reached by the Commission on Narcotic Drugs during its seventh session, April 5 to May 9, 1952, on the principles embodied in the first 13 articles of the proposed international single Convention. Two bodies would be created by the Economic and Social Council under the provisions of the United Nations Charter, with provision for the Commission on Narcotic Drugs to function independently of the existence of the Council and for an International Narcotics Control Board with semijudicial functions similar to those of the present Permanent Central Opium Board. Separate secretariats would be provided for the Commission and the Board.

At its eighth session, March 30 to April 24, 1953, the Commission on Narcotic Drugs spent about half of its time on the draft Single Convention, continuing the work begun at its seventh session. The Commission considered the draft section by section, limiting its consideration to decisions on principles. Sections of the draft dealing with the functions of the proposed International Control Board, the secretariat, the national control organs,

and the control of the manufacture of and international trade in narcotics were thoroughly studied.

Work of the Ninth Session

Work on the Single Convention was resumed at the ninth session of the Commission on Narcotic Drugs, April 19 to May 14, 1954. Sections 37-43, regarding international trade, possession of drugs, measures of supervision, penal provisions, the cure of the drug habit, languages of the convention and procedure, and entry into force, were studied. The remaining sections 44 to 51 will be studied during the tenth session of the Commission next spring. The necessary procedural arrangements will be made at that time.

The Commission having to a large extent solved the problems connected with opium, opium poppies, the coca leaf, and cannabis sativa, there is reason to feel that the Single Convention may be completed within 2 years.

On the proposal of the representative of the United States, the Commission on Narcotic Drugs appointed an *ad hoc* Committee on Seizures, composed of the representatives of Canada, Egypt, Greece, India, Turkey, the United Kingdom, and the United States. It was given the task of making a preliminary study of the documents on illicit traffic which the Committee had before it and of formulating recommendations as to how the Commission could best handle this subject.

The *ad hoc* Committee, which held seven meetings, made a general review of the illicit traffic situation in various parts of the world.

It was disclosed that the volume of illicit traffic was greatest in Thailand and other parts of the Far East. The representative of India stated that most of the opium seized in India was of local origin and represented less than 1 percent of the country's production.

The Commission on Narcotic Drugs considered the situation in Thailand as unsatisfactory and noted that much of the 17 tons seized had found its way into the opium smoking dens. The source of the drug was smuggling over the northern frontier.

It was reported that great efforts were being made in Singapore and Hong Kong to combat the illicit traffic in opium. The Commission noted that cooperation between Hong Kong and the United States was excellent.

The authorities in Mexico reported that opium poppy plantations covering an area of 733,676 square meters had been destroyed between March 1953 and February 1954. The representative of the United States, Mr. Anslinger, congratulated the representative of Mexico on his report and expressed the U. S. delegation's appreciation for the excellent work of the Mexican Government.

The largest quantities of prepared opium were

reported as having been seized in India, Indonesia, Malaya, Hong Kong, and Singapore.

Seizures of heroin had been reported from Algeria, Canada, Egypt, France, Federal Republic of Germany, Hong Kong, Indonesia, Italy, Japan, Mexico, the Philippines, Trieste, Tunisia, Turkey, and the United States. The total quantity seized was reported as 135.602 kilograms. The sources reported were the Chinese mainland, France, Italy, Japan, Lebanon, Mexico, and Turkey.

The observer for Italy stated that heroin had not been manufactured in Italy since July 1951 and that its therapeutic use would soon be prohibited. In 1953 only 10 kilograms had been used licitly in Italy. A bill was before the Italian Parliament providing for severe penalties for illicit manufacturers and traffickers. At the administrative level the Italian Government had intensified the struggle against illicit traffic, and a central narcotics bureau had been set up.

Report by U.S. Representative

The representative of the United States pointed out that the heroin seized in many of the cases listed in the Secretary-General's memorandum could be traced to the Far East. Most of the heroin entering the United States came from the Chinese mainland, and the traffic in narcotics from there was a deliberate policy which was being followed by Communist China as a means of earning foreign exchange and of undermining the morale and health of the population of other countries. Opium, heroin, and morphine worth \$60 million were exported in a year. This business absorbed 200 tons of opium. A large quantity of heroin from the Chinese mainland was being sold in Japan and threatened the health and safety of the nation. North China had become one of the largest centers of opium production in the Far East and was sending large amounts of heroin into South Korea. Twenty-four hundred North Koreans, posing as refugees and carrying gold for expenses and heroin for political use, had been arrested in South Korea from April 1952 to March 1953.

The representative of China corroborated the allegations of the representative of the United States, adding that in the provinces of Honan and Hopeh 10,000 acres were used for poppy-growing and that about 1 million ounces of heroin were produced in Kwantung Province. In addition to the drug manufacturing plant near Peiping, a known factory in Szechuan was producing over 300 pounds of heroin daily.

Large seizures of cannabis were made in Lebanon, but Egypt reported a decrease in seizures owing to the good work of the Arab League. The Commission congratulated the League on the measures it had taken.

Seizures of cannabis were reported by Mexico (461 kg.) and by the United States (1,230 kg.).

Smuggling by seamen continued. The Commission reported that the United States had submitted a list of seamen convicted of illicit trafficking and urged other states to do likewise.

The Commission recommended to the Economic and Social Council the adoption of a resolution inviting governments to coordinate their efforts to combat illicit traffic, drawing attention to the work of the International Criminal Police Commission, and requesting them to furnish that organization with any information relating to persons involved in illicit traffic which might be of international value.

Tracing Origin of Opium

Scientific progress was reported to the Commission in regard to the determination of the origin of opium. A Canadian chemist, for instance, had been furnished with 20 samples of opium with no indication of place of production. He was able in the course of a day's work to determine accurately the place of origin of each sample. Pleased with the progress made, the Commission recommended that a United Nations laboratory should be established in order that the Secretariat may be able to increase the number of analyses it can make. This scientific work will greatly aid in combating world illicit traffic.

Noting the statements made by the representative of Peru and others regarding the harmful character of coca leaf chewing and the policy of progressive abolition of the practice, the Commission recommended that the technical assistance services of the United Nations give favorable consideration to any requests which the countries concerned may make for assistance in developing their suppression programs.

The Commission agreed with the Expert Committee on Drugs Liable To Produce Addiction that "there is no justification for the medical use of cannabis preparations" and recommended that such use be discontinued as rapidly as possible. It also invited the governments concerned to conduct experiments with a view to studying the possibility of finding a plant which does not contain harmful resin to replace *cannabis sativa L.* in the production of fibre.

Recognizing the harmful character of diacetylmorphine and noting the statement of the Sixth World Health Assembly that diacetylmorphine is not irreplaceable for medical practice, the Commission urged governments to prohibit the manufacture, import, and export of diacetylmorphine and its salts, preparations, and preparations of its salts.

Great efforts are being made in a number of countries to prevent and eliminate drug addiction. The Commission stressed the importance of governments setting up means for the treatment, care, and rehabilitation of drug addicts on a planned

and compulsory basis in properly conducted institutions. The United States has hospitals at Lexington, Ky., and Fort Worth, Tex., for such purpose.

Constant pressure is being exerted on the drug traffickers, and the supply of narcotics for illegal purposes is gradually drying up. International cooperation is the key to the winning of this long fight, but individual states must furnish their full assistance.

• *Mr. Morlock, author of the above article, is a Foreign Affairs Officer in the Office of International Economic and Social Affairs.*

President's Views on Foreign Economic Policy

White House press release dated August 26

The White House on August 26 made public the following exchange of correspondence between the President and Harry A. Bullis, chairman of General Mills, Inc., Minneapolis, Minn.

The President to Mr. Bullis

DEAR HARRY: Many thanks for your good letter expressing as it does your sincere interest in a most vital problem confronting our country.

As you know, I fully share your view as to the splendid accomplishments of the Congress in translating so much of my legislative program into reality during the session recently concluded. Several of these enactments required of the Congress the setting of new directions and a fresh pace. That is always a time-consuming and often exacting process.

With respect to the foreign economic policy aspects of the program, it was unavoidable that they reached the Congress well along in the session. Time was not available to consider them adequately. I want to emphasize, however, that my Message of March 30, 1954 to the Congress on this subject¹ remains firmly the Administration position. It is my present intention to give high priority to progress in this whole field in planning for next year's legislative program.

The events of every day bear in heavily upon us the imperative necessity of building stronger economic relations between ourselves and the free world. This is true, first because the growth of our own economy and the attainment of rising standards of living for our people can materialize only in step with economic growth and improve-

ment in the economies of the free world linked to ours. It is more emphatically true because it is in our enlightened self-interest to have economically strong friends throughout the world. The prudent widening and deepening of the channels of trade and investment by us will not only produce good results in themselves but will encourage similar action by our friends abroad. That is the route to better markets and better feeling.

I note what you say on the watch tariff decision.² That case, as with the more recent one on lead and zinc,³ was decided solely on its merits under the law in the light of the United States Tariff Commission's report and with the advice of interested Departments and Agencies of the Executive Branch.

I welcome your support and the support of the many who like you believe that the proposals of my Message of last March are still in the best interest of our people.

Sincerely,

DWIGHT D. EISENHOWER

Mr. Bullis to the President

DEAR MR. PRESIDENT: Now that the 83rd Congress has completed its work and the full record of its activities has been written, it is clear that a tremendous part of your forward-looking program has been enacted into law. The accomplishments in agriculture, taxation, social security, unemployment insurance, transportation, atomic energy, and other fields are significant and memorable.

In the field of foreign economic policy, some progress was also made. The one-year extension of the Trade Agreements Act will permit the negotiations with Japan to go forward. I was glad to see also that the Congress authorized a complete study of customs classification. Obviously, the Congress had too much to do on major pieces of the program presented prior to your foreign economic policy message of March 30 to deal adequately with it.

Some of your friends are concerned about the place this program occupies for the year ahead. Some too, fearful of the consequences of the watch tariff decision, are anxious to be reassured that your Message still constitutes the charter of your Administration's foreign economic policy. It might be useful, as you have the opportunity, to get the thinking clear and the record straight again on that issue.

My warmest appreciation for your magnificent efforts in the service of our beloved land.

Sincerely,

HARRY A. BULLIS

¹ *Ibid.*, Aug. 23, 1954, p. 274.

² *Ibid.*, Sept. 6, 1954, p. 339.

³ BULLETIN of Apr. 19, 1954, p. 602.

Revisions in Battle Act Embargo List

The Foreign Operations Administration on August 25 announced revisions in the Battle Act embargo list, the list of goods which the U.S. Government believes the free world should withhold from the Soviet bloc.

In announcing the revision, Director Harold E. Stassen stated: "I am convinced that this revision, which has been made with the concurrence of the Departments of State, Treasury, Defense, and Commerce, and approved by the President, will result in a net advantage to the free world of expanded peaceful trade and more effective control of the war potential items. It is a move in the best interests of the United States."

The Battle Act, or Mutual Defense Assistance Control Act of 1951, directs that the embargo list "shall be continuously adjusted to current conditions on the basis of investigation and consultation."

The new embargo list went into effect August 25. The list reduction will bring no change in controls over shipments to Communist China. No munitions or atomic energy items are being removed from the list. The same is true of machinery and equipment especially designed for the manufacture of armaments. Some new items which embody recent technological advances are being added to the list.

Reduction in Number of Items

The net result of the revisions is a reduction from 297 embargo items to 217. Many of the 217 items remaining on the Battle Act embargo list have been redefined in such a way as to split off certain less important sizes and types of goods covered by the item, while keeping the embargo rating on the more important sizes and types. In a number of cases the coverage of an item has been expanded.

Mr. Stassen said: "The new list grows out of (1) the conclusion of the U.S. Government a year ago that the free-world system of security trade controls needed a thorough reappraisal in the light of changing world conditions; and (2) long and painstaking reviews of commodities on an inter-agency basis in our government and by a group of 15 cooperating countries."

The Battle Act embargo list is sometimes called the "Title I" list. Many of the materials no longer under embargo are being placed on another Battle Act list called the "Title II" list, which includes goods of lesser importance which are usually under quantitative control or careful surveillance rather than embargo.

On August 16 a new international embargo list, worked out by 15 governments in 4 months of discussions, went into effect. The U.S. Government, as an active member of the group, considers that the security interests of the United States and the free world are adequately safeguarded by the agreements reached, which have preserved the cooperative nature of the control program and which include not only list changes but also measures for stronger enforcement. Therefore the new Battle Act embargo list will closely approximate the new international embargo list, though it will not be identical with that list in all respects.

In this connection, Mr. Stassen made the following statement:

Our revision of the Battle Act embargo list is a necessary part of the job of putting the free world's security trade controls on a more durable and more effective basis for the long haul.

As I have previously announced, the cooperating countries have unanimously agreed, after months of negotiations at Paris, to reduce their commonly accepted commodity control lists and to strengthen enforcement with respect to the important items remaining under control.

Battle Act list changes are unilateral decisions of the United States Government. They are made after the fullest consultation among interested agencies, including the Departments of State, Defense, and Commerce. Because of the multilateral character of the control program, we also exchange information and consult with our allies and take into account all pertinent considerations in the international situation.

Those considerations are discussed in chapter V of the fourth semiannual Battle Act report, published in May, and entitled *East-West Trade Trends*.¹

The considerations include the vital necessity of preserving the unity and cooperation of the free world in the face of Soviet efforts to create division; the probability of a long period of tension short of general war; the need of putting the con-

¹ For text of chapter V, see BULLETIN of May 31, 1954, p. 843.

New Policies on U.S. Security Export Controls

Secretary of Commerce Sinclair Weeks on August 26 announced important policy decisions relating to U.S. security export controls. Mr. Weeks stated:

"The main objective of export controls is to prevent export of goods to the Soviet bloc which would build up its military potential. This policy will continue. However, the new policies (detailed below), which relieve American exporters from many burdensome administrative restrictions on trade with friendly countries, will benefit substantially both U.S. business and friendly countries."

He explained further that this action has been made possible by the institution of measures by cooperating friendly countries for stricter control of exports to the bloc and the prevention of unauthorized diversions and transshipments. U.S. exporters, as a result of this action, will be placed on a more equitable, competitive basis with foreign traders. The action accords with the Government's policy of removing unnecessary restrictions on the business community to the fullest extent consistent with national security.

In commenting on his announcement relating to U.S. exports to Eastern European countries, Mr. Weeks stated his belief that the new policies may provide an opportunity for increased trade. An early increase in volume of trade with the Soviet bloc resulting from this action is, however, unlikely in view of the bloc's aim of self-sufficiency and its inability to provide desired goods in exchange for imports.

The Secretary of Commerce indicated that recent international agreements between friendly countries and the United States provide a basis for the policy designed to:

- 1) Shorten the list of goods which will be embargoed from the United States to European Soviet bloc countries, and provide an opportunity for increased trade in peaceful goods.
- 2) Continue the embargo of those goods which are of importance to the military capacity of the Soviet bloc.
- 3) Provide a basis for stricter and more effective enforcement.
- 4) Remove many administrative restrictions on exports from the United States to friendly countries, in order to promote U.S. international commerce.

- 5) Maintain without change the current embargo on all shipments from the United States to Communist China and North Korea.

Mr. Weeks explained that these policy changes follow the reappraisal by the Government some months ago of U.S. security export controls and the completion of intensive reviews of East-West controls, security lists, and techniques by this Government in Washington and in Paris, where the U.S. joined with 14 major trading nations of the free world in reviewing their cooperative controls of exports to the Soviet bloc.

These reviews have been made under security considerations providing for control of those items which are of significance to the military capability of the Soviet bloc, taking into account the likelihood of a longer-range period of international tension, important international developments, recent technological developments, and latest information concerning Soviet bloc military potential and needs. A considerable number of items having little or no security significance have been dropped from the embargo classification. On the other hand, some new items of security significance have been added. In some instances, descriptions of items and categories have been altered in the interest of clearer understanding and better enforcement. The shortening of the list of security items is expected to improve even further the system of enforcement internationally maintained by the U.S. and its allies. In addition, new and better enforcement measures have been agreed to by the entire group of cooperating countries, with the full participation of the U.S.

The August 26 announcement will result in the removal of a number of commodities from the Positive List of Commodities, published by the Department's Bureau of Foreign Commerce. Exporters may then ship these deleted items to friendly countries without applying to the Department of Commerce for validated export licenses. These deletions will be announced shortly in a Current Export Bulletin.

Exporters will still be required to obtain export licenses, however, before sending any goods, whether or not on the Positive List, to the Soviet bloc. Applications for export licenses will be reviewed carefully and decisions made on the basis of safeguarding national security.

Battle Act lists have a purpose different from the lists drawn up by the Commerce Department, which are used in the control of exports from the United States itself. The Commerce Department plans an announcement on U.S. export controls shortly [see box].

New International List

As for recent agreements on revising the international control system, information on the changes was disclosed by Mr. Stassen in a news conference on July 22 and by Peter Thorneycroft,

control system on a long-term basis with the continuing support of the Western trading community; the need to keep open every path that might conceivably help the world to move gradually toward a sounder basis for peace; the massive upswing in free-world strength and production, causing a growing need for new markets; the decline of U.S. aid to free countries; the economic benefits that our allies get from trading in non-military items with the Soviet bloc; the fact that some items have assumed greater or lesser strategic importance and should be reclassified; the fact that a shorter and simpler control list would be easier to enforce.

President of the British Board of Trade, in the House of Commons on July 26.

They emphasized that new and stronger enforcement measures have been agreed to, along with the list revisions. Countries which have freely permitted the transit of goods will take additional steps to prevent embargo-type goods from being transshipped to the Soviet bloc, and other countries will take steps to prevent their residents from engaging in transactions which result in embargoed goods going to the bloc, regardless of where the goods originate.

What is generally known as the international embargo list, which is composed largely of industrial production materials, is being reduced from about 260 to 170 items. However, those figures do not include armaments, atomic energy materials, and certain other items which are not exclusively or predominantly armaments or atomic energy materials but which could be used in warfare or which have some significant atomic energy application. All those are listed separately by the group of nations and are tightly embargoed by all our allies. However, the Battle Act embargo list now being reduced from 297 to 217 items does include such items, with those that are exclusively or predominantly armaments or atomic energy materials segregated in a special category called "Category A." All other Battle Act embargo items are in "Category B."

If a country receiving U.S. military, economic, or financial aid should permit the shipment of a "Category A" item, the termination of this aid would be mandatory. If "Category B" items are shipped, the President may continue aid to the country if he finds that the termination of aid would be detrimental to U.S. security.

The international quantitative control list is being cut from about 90 to about 20 items, and about 60 additional items will be kept on a watch list so that the countries can keep close check on the export trends. Such items are covered in the Battle Act Title II list.

Although the Battle Act embargo list applies to shipments to every part of the Soviet bloc, the present changes reduce the scope of controls only on trade with the U.S.S.R. and its European satellites. This is because the international embargo on strategic trade with Communist China under the United Nations resolution of May 18, 1951, is much more extensive than the Battle Act lists and has not been relaxed by the cooperating nations.

Full details of the Battle Act list changes are being transmitted to six committees of Congress.

Titles I and II

There are two parts to the Battle Act embargo—or Title I—list.

Category A, having 23 items, is composed of 12 items—really classes of items—of arms, am-

munition, and implements of war, and 11 items exclusively or predominantly of atomic energy significance. Only relatively minor changes are being made in Category A. (The new version of Category A is given in full below.)

The Category B part of the embargo list contains items considered to be of primary strategic importance, even though not exclusively or in some cases even predominantly of military or atomic energy application. As mentioned earlier, the Category B list has been significantly pruned.

The Title II list includes goods of lesser importance which the United States believes should be subject to quantitative control or careful surveillance, not necessarily embargoed.

Because of the exhaustive review of international lists which the 15 governments have been conducting in Paris, the U.S. Government, in revising the Battle Act lists, has had the benefit of all the relevant intelligence, technical, trade, and other information that the United States and the other participating countries have been able to muster. These Battle Act list revisions take into account not only the information provided by our allies but also their evaluation of the importance of controlling specific commodities.

Items included on either the Title I, Category B, list or the Title II list are generally those which are designed or used principally for the production of armaments or atomic energy materials, or incorporate advanced technology which ought to be denied to the Soviet bloc, or are essential to the war production base of the Soviet bloc and critically short there.

The general rule is that items considered highly important for direct military use or which incorporate advanced technology related to war production are put on the embargo list. Other items considered important because of their potential contribution to the military production base are put either on the embargo list or on the Title II list, depending on whether a lesser degree of control than embargo will be adequate.

Basis for Listings

The process of determining Battle Act listings is a complex one involving the collection, assimilation, and evaluation of all relevant technical, intelligence, trade, and other information. This process must also be a continuing one, always taking into account new information and new evaluations, both in the United States and abroad. The Battle Act lists will, of course, be kept under continuing reexamination, as the law requires.

The Battle Act embargo listings themselves are in many cases quite complicated. The definitions involve specifications of size, type, and performance which would be confusing to the layman but which represent a strategic judgment as to which varieties require embargo and which warrant a lesser degree of control or decontrol.

In determining Battle Act listings, the least difficulty is encountered in identifying items of special design for military production.

With respect to items incorporating advanced technology, this involves a judgment as to whether the bloc has this technology and what contribution it would make to their military capabilities.

The greatest difficulties arise in the evaluation of items of dual use, i.e. civilian use as well as military. These have to be evaluated in terms of questions such as whether the military applications are highly important within the Soviet bloc, and whether the Soviet bloc deficiency is of such a nature that denial will primarily affect the military sector of the Soviet bloc economy rather than the civilian.

What has been done is illustrated by brief comments on the various categories of items.

In the metalworking machinery group, while certain types of boring and turning mills are embargoed, smaller sizes of the item are subject to a lesser degree of control on the basis of analysis of Soviet-bloc technology and military production. With respect to lathes, certain types are retained on the embargo list while others, which incorporate no advanced technology and are in fact produced in ample quantities in the Soviet bloc, were deleted from the list. The machine tools covered by the embargo are basic to the mass production of aircraft, ordnance, and other implements of war, as well as the production of highly specialized equipment having important military uses.

In the chemical and petroleum equipment group, the embargo rating has been retained on the key materials and components of war-chemicals production and those of significance to atomic-energy production. At the same time common types of parts and equipment widely produced throughout the world, including the Soviet bloc, have been removed from a controlled status. Because of advances in technology, certain new items have been added to this group, such as titanium-producing equipment and certain important materials made from new types of plastics.

The revised electric power equipment group in the embargo list includes heavy power-generating equipment which is significant to the Soviet-bloc war potential, but excludes such items as outboard motors, condenser tubes, and smaller sizes of motors, generators, and diesel engines.

Industrial Equipment

A number of items in the general industrial equipment group have been deleted. For example, only one specialized type of heavy tractor was retained on the embargo list because the Soviet bloc is a very large producer and even an exporter of many types of tractors. On the other hand, certain kinds of equipment such as rolling mills,

which are basic to any advanced industrial economy and therefore to military capabilities as well, are retained on the embargo list.

In the field of transportation, items such as flat cars, tank cars, well cars, and rails no longer have an embargo rating but are subject to quantitative control or surveillance and are listed under Title II. While these items are important to the economic and military life of any country, an analysis of Soviet-bloc supply led to the conclusion that embargo was not necessary at this time. The new embargo list retains the turbine type of locomotive; other types are covered under Title II. Naval vessels and tankers previously embargoed remain on the list; certain types of fishing and merchant vessels have been added. Exports of ships of other types, specifications, and speeds are subject to restrictions but are not embargoed.

Most types of precision instruments and electronics equipment on the embargo list have been retained because of their importance from the standpoint of strategic considerations and advanced technology. The coverage of some items in this group has been broadened. A few items such as absorption meters, micro-hardness testers, and oscillographs were deleted.

In the metals and minerals group, a number of items were found to be in adequate supply within the bloc and were therefore deleted. Platinum, for example, was removed from the embargo list inasmuch as the U.S.S.R. is the world's largest producer. Other items deleted were cadmium, calcium, sodium, strontium, vanadium, asbestos, and mica. Minerals and metals of basic importance to Soviet military power, such as aluminum, copper, nickel, molybdenum, cobalt, magnesium, tungsten, and titanium, a material now of special interest in jet engine development, remain on the Category B embargo list. Other strategic minerals of major significance to atomic energy remain on the Category A embargo list.

In the field of chemical products some items such as permanganates, phosphoric acid, liquid gum inhibitors, and petroleum coke were removed from the embargo list upon close examination of the Soviet bloc production and use patterns. Those retained under embargo are of major importance in modern manufacture of explosives and propellants.

The highly refined petroleum products are retained on the embargo list, while others, such as crude petroleum and diesel oil, are under lesser but nevertheless careful control. The Soviet bloc is of course a large producer of petroleum and has made repeated offers and sales to the Western world.

In the case of rubber and miscellaneous products, the embargo on tires was revised on the basis of the military application of different types and sizes. The nonmilitary types were removed from the embargo list inasmuch as the Soviet bloc production of most types of tires is adequate to meet its needs. Natural rubber remains on the

Title II list in order to maintain careful surveillance over the quantities of this item which are made available to the bloc.

Description of Category B List

The following is a generalized description of the Category B portion of the new embargo list (the entire list is not given in detail, but this will give an idea of its scope):

Metalworking machinery—Machines and equipment specially designed for manufacturing arms, ammunition, and implements of war; jig boring machines; contour profile grinders; jig grinders; lap radial grinders; thread grinding machines; spar millers; armor plate planers, military-type jigs.

Larger sizes or more advanced or specialized types of the following: vertical boring and turning mills; deep hole drilling machines and drills; internal cylindrical, surface, and roll grinding machines; grinders for broaching machines; turret lathes; automatic, spinning, combination tube boring and turning, and engine lathes; thread milling machines; combination millers and planers, forging hammers; presses; wire, tubing, and strip machinery; and machines for plate working, metal cutting, broaching, gear making, honing and lapping, profiling and duplicating.

Chemical and Petroleum Equipment—Equipment for the production of military explosives; centrifugal countercurrent solvent extractors; plant and equipment for the production of titanium metal.

Important sizes and types of the following: equipment and components for the production of nitrogen tetroxide, antibiotics, hydrogen and deuterium oxide, liquid oxygen and hydrogen; compressors, pumps, valves, pipe, and tubing; equipment for oil well drilling, oil refining, production of lubricants, and treatment of natural gas.

Electrical and Power Generating Equipment—Large sizes of electric turbines and generators; special types of diesel engines and electric motors.

General Industrial Equipment—Metal rolling mills; industrial diamonds; and certain types of heavy tractors and excavating equipment, soil compactors, diamond tools, and coaxial cable machinery.

Transportation Equipment—Centralized traffic control systems; turbine locomotives and important types of four-wheel drive automotive vehicles; various types of ships, including floating docks, tankers, whaling factories, warships, and certain sizes of icebreakers, fishing vessels, passenger and cargo ships; compasses and marine steam boilers having strategic characteristics; mine-sweeping equipment; and important types of cable.

Electronics and Precision Equipment—Aircraft

communications equipment; radar equipment; ultrasonic wave communication apparatus; jamming apparatus; equipment for controlling aircraft and guided missiles; panoramic radio receivers.

Important types of telegraph equipment, amplifiers, cable, measuring instruments, electronic tubes, radio and TV transmitters, magnetic recorders, computers, and photographic equipment.

Metals, Minerals, and Their Manufactures—Brass and bronze fabrications for munitions; scrap iron and steel; germanium; titanium; molybdenum; columbium; cobalt.

Various nonferrous and steel alloys; important types and products of aluminum, copper, nickel, magnesium, tantalum, tungsten, magnetic material, and antifriction bearings.

Chemical and Petroleum Products—Hydraulic fluids; barium nitrate; dinitrotoluene; hydrazine; picric acid; silicon oils.

Specified types of detonating or priming mixtures, stabilizers for explosives, and glycols.

Gasoline, kerosene; lubricating oils; blending agents for aircraft fuels; tetra-ethyl lead.

Rubber Products—Butyl synthetic rubber; military types of tires; water-lubricated bearings made with Buna N compounds.

Miscellaneous—Nylon parachute cloth; certain types of raw optical glass; paper for dielectric use.

Battle Act Title I List—Category A

100—199 SERIES: ARMS, AMMUNITION AND IMPLEMENTS OF WAR

Item No.	Description
101	Rifles, carbines, revolvers, pistols, machine pistols, and machineguns designed specifically for military use; and all specifically designed components and parts therefor.
102	Guns, howitzers, cannon, mortars, rocket launchers, military flame throwers, smoke, gas and pyrotechnic projectors, recoilless rifles designed for military use; and all specifically designed components and parts therefor.
103	Ammunition and all specifically designed components and parts thereof for the arms enumerated under 101 and 102 above.
104	Bombs, torpedoes, grenades, rockets, mines, guided missiles, and depth charges, designed for military use, apparatus and devices specifically designed for the handling, control, activation, discharge, detonation or detection thereof; and all specifically designed components and parts therefor.
105	Fire control, infrared and other night-sighting equipment, military range, position and height finders; spotting instruments, aiming devices, bomb sights, gun sights and periscopes designed for the arms, ammunition, and implements of war enumerated in this list; and all specifically designed components and parts therefor.
106	Tanks, military-type armed or armored vehicles, armored trains, military half tracks, military-type tank recovery vehicles, tank destroyers, gun carriers, all mobile repair shops designed to service military

equipment; and all specifically designed components and parts for such vehicles.

- 107 Toxicological agents, the following:
(a) Biological or chemical toxicological agents intended only for military use;
(b) Equipment designed for the dissemination and detection of substances included in (a) and defense therefrom.
- 108 Propellants and explosives, the following:
(a) Propellants specifically designed and manufactured for the articles enumerated in items 103, 104, and 107;
(b) Military high explosives.
- 109 Vessels of war, the following:
(a) Combatant vessels or vessels designed for offensive action;
(b) Equipment specifically designed for the laying, detection, detonation, and sweeping of mines;
(c) Submarine nets.

(Note: Components and parts for the foregoing, included in this list, shall mean: turrets, naval gun mounts; accessories and attachments shall mean: submarine storage batteries and catapults.)

- 110 Combatant aircraft of all types or aircraft designed for offensive action, or parts or components thereof which are peculiar to the offensive mission.
- 111 High power radar; electronic countermeasure equipment designed exclusively for military use; underwater sound equipment except that used for depth determination and avoidance of navigational hazards; and all specifically designed components and parts.

112 Military electronic computing devices.

200-299 Series: ATOMIC ENERGY MATERIALS

- 201 Fissionable materials, *including* but not limited to:
(a) Plutonium;
(b) Uranium enriched in the isotope 233 or in the isotope 235;
(c) Any material artificially enriched by any of the foregoing.

202 Uranium metal; thorium metal.

203 Metals, alloys, and compounds containing uranium or thorium, (*excluding* (i) alloys, not containing uranium, but containing less than 1.5 percent of thorium by weight; and (ii) medicinals).

204 Minerals, raw and treated (including residues and tailings) which contain by weight at least 0.05 percent of uranium or thorium or any combination thereof, *including* but not limited to:

- (a) Monazite sand and other ores containing thorium;
(b) Carnotite, pitchblende and other ores containing uranium.

205 Deuterium and compounds, mixtures and solutions containing deuterium, *including* heavy water and heavy paraffin, in which the ratio of deuterium atoms to hydrogen atoms exceeds 1:5000 by number.

218 Equipment specifically designed for the separation of isotopes of uranium.

219 Cyclotrons, belt-type electrostatic generators (Van de Graaff machines), synchro-cyclotrons, betatrons, synchrotrons, linear accelerators and other electro-nuclear machines capable of imparting energies in excess of 1,000,000 electron volts to a nuclear particle or an ion; and magnets specifically designed therefor.

220 Radiation detection instruments and components of the following types, designed or capable of being adapted for detection or measurement of nuclear

radiations, such as alpha and beta particles, gamma radiations, neutrons and protons:

- (a) Proportional counters;
(b) Neutron counters, containing boron, boron tri-fluoride, or hydrogen;
(c) Scaling units and rate meters, suitable for use in radiation detection;
(d) Scintillation counters incorporating a photomultiplier tube.
- 222 Ion separators, electromagnetic, *including* mass spectrographs and mass spectrometers for any purpose.
- 223 Acceleration tubes and focusing tubes of the kinds used in mass spectrometers and mass spectrographs.
- 224 Positive ion sources suitable for use in cyclotrons, mass spectrometers, and the like.

Changes in Positive List of Commodities

Exporters now may ship more than 650 additional commodities to most countries without applying for individual export licenses, the Bureau of Foreign Commerce, U.S. Department of Commerce, announced on August 29. The Bureau's new Positive List of Commodities will contain 787 entries compared to a total of 1,450 entries previously listed.

Items removed from the Positive List, effective August 26, include many rubber, petroleum, steel, and mineral products; ores and metals and manufactures; industrial, electrical, construction, and agricultural machinery; machine tools; motor vehicles; chemicals; medicinals; and scientific and professional instruments.

Individual export licenses will continue to be required for shipments to Hong Kong, Macao, the Hanoi-Haiphong Enclave and the Communist-controlled area of Indochina, and the Soviet bloc. Shipments to other countries may be made under general license GRO without prior application to the Bureau.

These relaxations do not apply to the total embargo against shipments from the United States to Communist China and North Korea, which continues in effect.

At the same time the Bureau of Foreign Commerce announced that, effective September 7, approximately 30 commodities, including certain steam engines, coal tar products, industrial machinery, and chemicals, are added to the Positive List. Some of these commodities require validated licenses for shipment to any destination except Canada; others require individual export licenses only for shipment to countries outside the Western Hemisphere.

These actions are in line with export policy decisions announced August 26 by Secretary of Commerce Sinclair Weeks and are designed to remove administrative restrictions on U.S. trade with friendly foreign countries while continuing embargo of those goods which are of importance to the military capacity of the Soviet bloc.

World Bank Loan to Mexico

The International Bank for Reconstruction and Development announced on August 24 that it had made a loan of \$61 million on that date to the Pacific Railroad of Mexico for equipment needed for an extensive program to rehabilitate and modernize the railroad.

Two commercial banks in the United States are participating in the loan, without the International Bank's guaranty, to the extent of \$2,420,000. The Bank of the Manhattan Company is purchasing \$1 million of the first maturity falling due June 1, 1959, and the Chemical Bank & Trust Company is purchasing \$1,420,000 of the loan—the \$210,000 remaining of the first maturity, and all the second maturity of \$1,210,000, falling due December 1, 1959.

The railroad (Ferrocarril del Pacifico, S. A. de C. V.) serves the northwest coast of Mexico. It runs some 1,200 miles from Nogales on the Arizona-Mexican border to Guadalajara, Mexico's second largest city, and there joins the National Railway line to Mexico City. The railroad traverses one of Mexico's most rapidly growing and important agricultural areas, which depends heavily on the railroad to carry its products to markets in Mexico and the United States and to bring in manufactured goods. The annual tonnage of freight has more than doubled, rising from 860,000 to 1,800,000 tons between the years 1936-40 and 1951-52. However, maintenance and replacement of track and rolling stock have failed to keep pace with the greatly increased demands of the region, and extensive rehabilitation and modernization of the railroad is now imperative.

The rehabilitation program includes the relaying of almost the entire track, repairing bridges, replacing steam with Diesel locomotives, the purchase and repair of freight cars, and the modernization of the communications system. It is estimated that the entire program will cost the equivalent of about \$80 million and will take 4 years to complete.

The Bank's loan of \$61 million will pay for the import of 33 Diesel locomotives for all-purpose use, 31 Diesel locomotives for light service, 684 freight cars, four million railroad ties, 170,000 short tons of rail to re-lay about 1,000 miles of track, other track material, and communications and shop equipment. Local currency costs will be met from equity investment by the Mexican Government and by the reinvestment of earnings.

The railroad, built early in this century, was owned by the Southern Pacific Railroad Company of the United States until 1951, when it was sold to the Mexican Government. It provides the only rail service in the agricultural states of Sonora, Sinaloa, and Nayarit; it also serves the important west coast ports of Guaymas and Mazatlán. For over 600 miles, from Empalme to Roseta, the line crosses flat, fertile coastlands containing approxi-

mately 8.5 million acres suitable for agriculture. About 1.75 million acres are now irrigated, and projects now being carried out or planned for the future are expected to raise this figure to more than 4.5 million acres in the next 10 years. Within the past few years, this region has become Mexico's "breadbasket" and an important source of winter vegetables for the United States. The principal crops of the area include cotton in Sonora, wheat in Sonora and Sinaloa, and corn, beans, and other vegetables in Sinaloa and Nayarit. In Sonora, livestock production is also important. About 85 percent of Mexico's total fish catch is landed at ports on the Gulf of California which are serviced by the railroad. Increased production of wheat and cotton in the area is having a beneficial effect on Mexico's balance of payments; imports of wheat have been nearly eliminated, and cotton has become Mexico's leading export.

Mexico's economic position is basically strong in view of its rich natural resources, diversified exports, high tourist earnings, and near self-sufficiency in food, raw materials, and many manufactures. Nevertheless, in 1952 and 1953 prices of raw materials fell and earnings from tourism declined, while imports remained high partly because droughts made it necessary to import more food. The trade deficit increased sharply in the early months of 1954, and in April the Government decided that it was necessary to devalue the peso from 8.65 to 12.50 per dollar.

The loan is the fifth which the Bank has made in Mexico and brings the total of Bank lending in that country to \$141,300,000. The earlier loans were principally for the purpose of financing the expansion of electric power facilities by the Federal Electricity Commission and by the Mexican Light and Power Company.

New Chancery at Karachi

Press release 485 dated August 30

The President on August 26, 1954, signed the supplemental appropriation bill. This bill included a sum of \$500,000 for the construction of a new American chancery building for the American Embassy at Karachi, Pakistan.

The action of the Congress in approving this bill reflects this Government's appreciation of the Government of Pakistan's generous offer to provide the United States with the labor necessary to complete the building as evidence of gratitude for grant emergency wheat aid.¹

This is another concrete expression of the deep bond of friendship which exists between the two countries.

The U.S. Government is now in a position to proceed with plans for construction.

¹ BULLETIN of May 17, 1954, p. 760.

U.N. Command Asks Communists To Account for 2,840 Prisoners

Following is the text of a statement made on August 17 at a meeting of the Military Armistice Commission at Panmunjom, Korea, by Rear Admiral T. B. Brittain, senior U.N. representative on the Commission.

On the ninth of September, 1953, we presented to your side a list of the names of United Nations Command personnel who, according to our best available information, were prisoners of war held by your side in the months immediately preceding the end of active hostilities in Korea and who were not returned to our side in the programs of prisoner exchange. As subsequently amended, the list currently in your hands totals 3,405 individuals. The reason that we gave you these amendments from time to time was because of our sincere desire to provide your side with the most accurate information possible so that a satisfactory accounting could be made by your side for these prisoners of war.

Because of the fact that additional information has recently become available which warrants the deletion of a considerable number of names from the list currently in your possession and since further amendments to the original list might create confusion, we have prepared a completely new list for your use. This new list supersedes and replaces all previous information we have presented you on this subject. I now hand you a list containing the names of 2,840 United Nations Command personnel who we are convinced were in your hands and whom we consider as not having been accounted for in a satisfactory manner. The names of persons of Korean nationality are listed in the Korean language, all others are listed in English.

The difference between this new list and previous lists furnished amounts to 418 United States personnel, 1 British soldier, and 146 Republic of Korea personnel. These deletions are largely persons determined to be deceased or, particularly in the case of some of the Korean persons, found to have been repatriated.

The United Nations Command is desirous of securing a complete report as to the current status of each of these persons. If they are currently held in North Korea, Manchuria, China, or elsewhere, the location of the place of custody and the reason therefor is requested. If they are deceased, that information should also be furnished together with any additional details available regarding cause of death and place of burial, including an indication that the remains will be returned in the exchange program beginning on 1 September 1954.

During the recent negotiations at Geneva it was developed that certain of the prisoners are being held in China. We are particularly interested in

obtaining information regarding these individuals. Since their captive status resulted from the conflict in Korea, it is appropriate that the necessary exchange of information concerning both the place of detention and reason therefor be conducted here in this commission. It is requested that for each name in this category the reason for detention and the time and place of their expected release be furnished to our side.

The families of the personnel in this unaccounted-for category are anxious to reach an early and satisfactory settlement of this entire problem. Accordingly, immediately upon receipt from your side of a complete accounting by name for each of these 2,840 United Nations Command personnel, in return and as evidence of our sincerity in desiring to exchange the most complete information available on the present status of former prisoners of war, we are prepared to present to your side an explanation by individual name for the 98,739 personnel of your side on the list you submitted to our side on 21 September 1953. It is proposed that this exchange of information will be reciprocal and simultaneous. Such an exchange of information will contribute greatly to the successful accomplishment of our mission of negotiations here in the Military Armistice Commission. I await your reply as to when you expect to be able to furnish the information we have requested and thereby expedite the receipt of the information you desire regarding your list.

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President Reports on Progress Toward Mutual Security

The President on August 20 transmitted to the Congress a report on the Mutual Security Program for the 6 months ended June 30, 1954.¹ Printed below are the texts of the letter of transmittal and chapter I of the report entitled "Mutual Security: A 6-Month Report." Other chapters deal in greater detail with Europe; the Near East, South Asia, and Africa; the American Republics; and other parts of the program.

PRESIDENT'S LETTER OF TRANSMITTAL

To the Congress of the United States:

I am transmitting herewith the Report on the Mutual Security Program covering operations during the 6-month period ended June 30, 1954, in furtherance of the purpose of the Mutual Security Act of 1951, as amended.

The mutual security programs, as carried out through the Foreign Operations Administration, are effectively advancing the security of the United States and of our cooperating partners in the free world.

Dwight D. Eisenhower

THE WHITE HOUSE,
August 20, 1954

MUTUAL SECURITY: A 6-MONTH REPORT

The mutual security effort during the first 6 months of 1954 was marked by important gains and important setbacks.

On the debit side, the Communist-backed Viet Minh troops scored major successes in the Indochina region despite nearly 8 years of military operations by the forces of the French Union and the Associated States, and United States supporting shipments of military weapons and supplies.

¹ H. Doc. 495, 83d Cong., 2d sess. For an excerpt from the report for July-December 1953, see BULLETIN of Mar. 29, 1954, p. 484.

The European Defense Community, which would integrate military forces of the Republic of Germany into the Western European defense system, still lacked the governmental actions necessary to give it life. There were, to be sure, some hopeful signs in the past half year, such as completion of the ratification process by Germany and the Netherlands, the affirmative parliamentary steps by Belgium and Luxembourg, and the directive of the French Socialist Congress to its members in the French Assembly to back the defense plan or face disciplinary measures. But the fact remained that the EDC had not yet been ratified by France and Italy, and the needed German contribution to the defense of Western Europe had not come into being. This latter deficiency constituted the most serious single obstacle to an adequate European defense posture, and at the turn of the half year vigorous efforts were being made to resolve the issue in the shortest possible time.

On the credit side, however, free nations in all parts of the world took a number of significant steps under our military assistance and technical and development programs which strongly attested to the basic soundness of the mutual security concept and its power to draw the forces of freedom into productive common endeavors for military preparedness and economic and social advancement.

New Actions for Mutual Security

In Latin America, at the Caracas Conference in Venezuela during March, the overwhelming majority of our neighbors to the south joined with the United States to declare that the control or domination of any one American State by the Communist complex would be a threat to the independence of all American States, endangering the peace of America.² The single vote against this declaration came, as expected, from Guatemala where at the time the ominous rumblings of Communist activity were very pronounced. The principles of unified action enunciated by the representatives at Caracas were not without effect. By the end of June, there was every indication that the Guatemalans had awakened to the dangers of Communist domination and were acting to cast

² BULLETIN of Apr. 26, 1954, p. 638.

off the menacing influences which had taken such a disturbing hold. During the first half of the year also, 2 additional countries in strategically placed Central America—Nicaragua and Honduras—signed military aid agreements with the United States, linking themselves with the mutual security program.

In the Far East, where the Communist rulers moved with greatest force to expand their power and control, the free nations of the area recognized the necessity for strengthening their collective security measures. In January, the Mutual Defense Treaty between the Republic of Korea and the United States received legislative approvals in both countries. The Treaty does not come into force, however, until ratifications are exchanged. The Government of Japan in March signed a Mutual Defense Assistance Agreement with the United States, providing for joint measures to bolster Japan's military capabilities for internal security and for defense against Communist conquest.³ In the Philippines, the Government, with the aid of United States military equipment and training, succeeded in subduing the Communist-led Huk guerrillas and in bringing about the surrender of the long-sought Huk leader, Luis Taruc. Thailand took added measures to accelerate and streamline its military program.

The Communist advance in Indochina brought home most strikingly the urgency of creating more effective regional security arrangements in the Pacific. The United States went on record in favor of a defense organization for building greater Asiatic-Pacific strength, and began to explore with other free nations the methods whereby such a defense grouping could be brought into being.

In the Near East and South Asia, new moves were made for more effective collective action in the area. The Government of Pakistan, in February, asked the United States for military assistance under the mutual security program. The request was granted, and military supplies will be furnished for Pakistan's own defense and for enabling the country to play its part in regional defense plans.⁴ To create another source of strength for the non-Communist countries of this strategic area, Pakistan and Turkey joined together in a treaty of friendship and cooperation. Turkey also joined with Greece and Yugoslavia to conclude a tripartite friendship alliance. In April, an agreement was signed with the Iraqi Government under which the United States will furnish military assistance to strengthen Iraq's ability to defend itself against aggression.

In Europe, despite determined Soviet diplomatic efforts at Berlin and Geneva to crack the NATO alliance, the NATO nations went steadily forward with their plans to defend the area against Soviet military expansion. Because of

³ For text, see *ibid.*, Apr. 5, 1954, p. 520.

⁴ *Ibid.*, Mar. 15, 1954, p. 401.

the substantial improvements in the European economy, wrought by the joint efforts under the various mutual assistance programs, the nations of Western Europe are better able today than at any time after World War II to provide for the common defense of the North Atlantic Treaty area.

The military capabilities of the Western alliance were strengthened during the past six months by the addition of Matador pilotless-bomber squadrons and atomic artillery to United States armed forces in Europe. Large-scale, integrated maneuvers of NATO air and sea forces were successfully carried out. General Gruenther's SHAPE Command thus acquired more powerful, better-trained forces to combat any military aggression. The mutual security program in Spain moved into gear, and plans were activated for building modern air and naval bases to be used by the United States Air Force and Navy, and for strengthening the Spanish economy and the well-being of the Spanish people.

Global Military Shipments

United States shipments of weapons, ammunition, and other military equipment have expanded substantially the defense capabilities of the many nations with which we have concluded military assistance agreements. The value of such shipments in the first half of 1954 amounted to \$1.7 billion. The total value of military grant aid shipments to all parts of the world from the beginning of the military assistance program in October 1949 through June 30, 1954, amounted to \$9.4 billion.

On a global basis, the major items delivered through June 1954 included:

- 127,403 electronics and signal equipment items.
- 188,497 motor transport vehicles.
- 34,733 tanks and combat vehicles.
- 34,802 artillery pieces.
- 45 million rounds of artillery ammunition.
- 784 Navy vessels.
- 5,911 aircraft.

Over 2 million small arms and machine guns were shipped, along with about 1½ billion rounds of small-arms and machine gun ammunition.

Technical Cooperation Made More Effective

The general improvement in economic conditions evident in so many parts of the world must, of course, be credited directly to the courageous efforts and driving energies demonstrated by the free world people in striving to improve their situation. The gains scored came from prolonged nationwide austerity programs, day-after-day personal sacrifices, and plain hard work. But these gains also reflected in good measure the accom-

plishments of our mutual programs of technical cooperation.

Increased levels of food consumption in many of the participating countries, greater productivity, lower disease and mortality rates, more efficient management and administrative practices, expanded power resources, greater capacity for self-help—these achievements are a tribute to our joint projects which impart to economically less-developed countries the modern skills and techniques which they need to catalyze their own endeavors. Technical cooperation has proved itself as a practical and productive concept and as the surest and most economical way, over the long term, to speed the advance toward an expanding world economy and a higher general standard of living.

During the half year, two new participants were added to the joint technical cooperation effort when the necessary agreements were concluded for programs in Surinam and British Guiana, in South America. At the end of June, some 60 nations and territories were working with the United States in technical cooperation undertakings. The participating countries have responded to the program with enthusiasm and good will and have demonstrated their firm support by steadily increasing their proportionate contributions of funds, facilities, and personnel to the various technical cooperation projects.

The Foreign Operations Administration, during the period under review, laid down a number of new guidelines for more effective technical cooperation operations. Procedures were reworked in order to:

- (1) Pinpoint the program on a few key problems in each country so that energies are not dispersed among undertakings of lesser importance;

- (2) Achieve better procurement methods so that technicians always have at hand the equipment they need to carry out their demonstration and teaching work;

- (3) Assure that a significant part of United States assistance reaches the people of the country through community development and other grass-roots projects;

- (4) Encourage, through FOA-financed contracts between American universities and foreign colleges, the development of strong educational institutions which will provide underdeveloped countries with the types of university extension, demonstration, and advisory services which have made such an outstanding contribution to the economic development of the United States;

- (5) Develop better coordination of FOA activities with the activities of the United Nations. On this subject, the Director of the Foreign Operations Administration, Mr. Harold E. Stassen, held a special conference with top technical assistance officers of the United Nations so that additional steps could be taken to trim to a minimum the possibilities of duplication and overlapping among the various programs.

During the first part of 1954, there were about 1,700 United States technicians serving in the host countries. Even this number, however, falls short of the needs of a fully effective program. Competent specialists, with the right qualifications and aptitudes for work in distant lands, have proved hard to find. Despite constant improvements in recruitment practices, many important overseas positions still remained unfilled.

The obstacles involved in securing needed professionals for service abroad were somewhat reduced by expanding the opportunities for the working participation of technicians from private American institutions. As of June 30, 1954, 36 FOA-financed contracts for technical cooperation abroad were in force with 30 colleges and universities, and a number of others were under negotiation. These contracts covered diverse fields, including agriculture, health, education, engineering, and public administration.

In addition, the Foreign Operations Administration had financed contracts with United States commercial organizations and individual contractors to furnish specific technical services in participating countries and had concluded a number of technical cooperation contracts with voluntary and nonprofit agencies, other than colleges.

Development Assistance To Speed Key Projects

Technical cooperation programs in some nations, particularly those in the less-developed areas, require supplemental supplies, commodities, or funds in order to produce worth-while results without waste of resources and time. This type of supplementary assistance to help move forward a country's own development program makes it possible to carry out certain key projects which serve the basic interests of the United States, as well as the interests of the country concerned. In most instances, development assistance is given either when the country does not possess the needed material and financial capacity to undertake such key projects, or when, even if the projects were undertaken, the rate of progress without supplementary aid would not match the requirements of current world conditions.

Development assistance, linked with technical cooperation projects, also lays the groundwork for attracting private investment capital and private management skills—essential ingredients for lasting economic improvement in any independent country. A potential private investor today generally finds in an underdeveloped country that poor transportation, power, and communications facilities constitute too great a drawback to productive enterprise. Carefully planned development assistance, properly related to technical cooperation programs, can go far toward creating the necessary inducements to greater private investment, both local and foreign.

For these reasons, development assistance activities, particularly in the area of the Near East, Africa, and South Asia, have received increasing attention in mapping out programs for achieving full use of country resources. Development support furnished through the Foa programs has been focused primarily on those activities which help a particular country to mobilize its own resources and remove existing barriers to normal financing, either through loans or private investment. These activities have included projects for land-reclamation and irrigation in the Arab States and in Israel, agricultural and livestock improvement in Iran, basic industrial and transportation development in India, and industrial diversification in Pakistan. In Latin America, development assistance has been given to increase food production in Bolivia.

Development-type programs have also been carried out in the Far East. In Korea, though there were understandable initial difficulties in instituting reconstruction operations of such magnitude, where so much must be done so rapidly, all of the funds available were programmed and obligated for specific capital investment programs and commodity purchases worked out jointly with representatives of the Korean Republic. In the half year also, development-type activities in the Philippines received fresh impetus and added support from the new Philippine Government.

During the 6-month period, \$100 million was provided to the Export-Import Bank for a 25-year loan to the European Coal and Steel Community. This action was consistent with the administration's effort to shift aid of a development nature, wherever possible, from a grant to a loan basis. The Community will make repayment at 3 $\frac{7}{8}$ percent interest and will use the funds for investment purposes to develop and modernize coal and iron ore enterprises in the six member nations.

U.S. Food Surpluses for Worldwide Use

Large quantities of American surplus farm products have been put to constructive use either by sales to friendly countries for local currencies or by grant shipments to relieve emergency food shortages of free world peoples.

Foa authorized over \$245 million through mid-1954 to purchase American surplus wheat, barley, cotton, fats and oils, frozen beef, tobacco, and other agricultural commodities and sell them abroad to free world nations who pay in their own currencies. About \$186 million worth of these authorizations were issued in the January-June period of this year.

Under Public Law 216, which expired in March 1954, the President authorized the shipment of over 84,000 tons of surplus wheat to free world nations threatened by critical food shortages.

Foa made such famine-averting shipments to Bolivia, Jordan, and Libya. Through emergency legislation, Pakistan received over 610,000 tons of wheat which helped keep millions of Pakistani people from hunger or starvation until this year's new and more favorable spring crop could be harvested.⁵

These and like measures to utilize our abundant supplies of agricultural products illustrate yet another way in which the mutual security program operates to promote greater strength and closer ties among freedom-loving peoples.

New Top-Level Advisory Groups Formed

The Public Advisory Board and the International Development Advisory Board, composed of outstanding representatives of American agriculture, industry, and education, both have furnished invaluable assistance to the Foreign Operations Administration in the formulation of broad plans for the various technical and economic development programs. During the half year, 2 more specialist advisory groups were established. These were a 15-member Health Advisory Committee, with Dr. Norman H. Topping, Vice President of the University of Pennsylvania, as chairman, and a 10-member Labor Advisory Committee, made up of key leaders of the American Federation of Labor, the Congress of Industrial Organizations, and other principal labor organizations. The participation of these top-level groups not only provides the Foreign Operations Administration with the best professional assistance and advice obtainable, but also insures that the interests of the different sectors of the American economy will be adequately represented in the makeup and direction of our overseas technical and development programs.

Unity—The Source of Free World Strength

The far-flung forces controlled by international Communism are striving incessantly, by guile and by force, to undermine the concept of allied unity and thus cut the sinews of free world strength. At every conference table and in every diplomatic and military maneuver, the Communist rulers push hard toward their key objective of separating the free world into individual segments. Indeed, the very intensity of their attack on any move toward free world solidarity is the surest proof of the worth and effectiveness of our mutual security measures, for the Kremlin realizes full well that so long as free men band together in common purpose, Communist efforts for ultimate world domination cannot succeed.

In a review of the developments and actions on the world scene during the first half of this year,

⁵ *Ibid.*, May 17, 1954, p. 760.

one fact stands plain. The close working relationships developed under the varied, but inter-related, mutual security efforts in all parts of the globe, and the tangible benefits of military assistance and the technical, development, and food programs have helped to bind the free world nations together in pursuit of the common goals of freedom and economic and social progress.

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Waterborne Cargoes in United States-Flag Vessels. Hearings before the House Committee on Merchant Marine and Fisheries on S. 3233, An Act to Amend the Merchant Marine Act, 1936, To Provide Permanent Legislation for the Transportation of a Substantial Portion of Waterborne Cargoes in United States-Flag Vessels. June 23-25, 1954. 124 p.

To Protect Rights of United States Vessels on High Seas and in Territorial Waters of Foreign Countries. Hearing before the Subcommittee of the Senate Committee on Interstate and Foreign Commerce on S. 3594, A Bill to Protect the Rights of Vessels of the United States on the High Seas and in Territorial Waters of Foreign Countries. July 2, 1954. 87 p.

To Control Illegal Migration. Hearings before the Subcommittee on Immigration and Naturalization of the Senate Committee on the Judiciary on S. 3660, To Make the Employment, and Related Practices, of Any Alien Known by an Employer to Have Entered the United States Illegally Within 3 Years Thereof Unlawful, and for Other Purposes, and S. 3661, To Provide for the Seizure and Forfeiture of Any Vessel or Vehicle Used in the Transportation of Any Alien Known by the Owner Thereof to Have Entered the United States Illegally Within 3 Years Thereof, and for Other Purposes. July 12-14, 1954. 108 p.

Mutual Security Appropriations for 1955. Hearings before the Senate Committee on Appropriations on H. R. 10051, An Act Making Appropriations for Mutual Security for the Fiscal Year Ending June 30, 1955, and for Other Purposes. July 16-27, 1954. 385 p.

International Opium Protocol. Hearing before a Subcommittee of the Senate Committee on Foreign Relations on The International Opium Protocol. July 17, 1954. 93 p.

Aids to Navigation—Approaches to Panama Canal. Hearing before the Subcommittee No. 3—Panama Canal of the House Committee on Merchant Marine and Fisheries on H. R. 9397, A Bill to Authorize the Secretary of the Treasury to Transfer Certain Property to the Panama Canal Company, and for Other Purposes. July 19, 1954. 16 p.

International Opium Protocol. Report of the Senate Committee on Foreign Relations on Executive C. S. Exec. Rpt. 7, August 7, 1954. 14 p.

Certain Alien Sheepherders. Report to accompany S. 3813. S. Rpt. 2453, August 11, 1954. 5 p.

The Illegal Employment of Aliens Act of 1954. Report to accompany S. 3660. S. Rpt. 2451, August 11, 1954. 5 p.

Illegal Transportation of Aliens Act of 1954. Report to accompany S. 3661. S. Rpt. 2452, August 11, 1954. 4 p.

New Outlets for Wheat. A Report on "Parboiled Wheat": a Practical Solution to a Very Grave and Urgent World Problem—Food Shortage in the Rice Areas. S. Doc. 154, August 13, 1954. 16 p.

Atomic Weapons Rewards Act of 1954. Report to accompany S. 3851. S. Rpt. 2488, August 14, 1954. 5 p.

Certain Basque Sheepherders. Report to accompany S. 2074. H. Rpt. 2658, August 16, 1954. 22 p.

Atomic Weapons Rewards Act of 1954. Report to accompany H. R. 10203. H. Rpt. 2660, August 16, 1954. 5 p.

Providing Relief for the Sheep-Raising Industry. Report to accompany S. 2862. H. Rpt. 2662, August 16, 1954. 3 p.

Agricultural Act of 1954. Conference report to accompany H. R. 9680. H. Rpt. 2664, August 16, 1954. 24 p.

Atomic Energy Act of 1954. Conference report to accompany H. R. 9757. H. Rpt. 2666, August 16, 1954. 51 p.

Military Family Housing. Conference report to accompany H. R. 9924. H. Rpt. 2669, August 17, 1954. 4 p.

Yugoslav Emergency Relief Assistance Program. Letter from the Director, Foreign Operations Administration, Transmitting the Tenth Report to the Congress

of the United States on the Administration of the Yugoslav Emergency Relief Assistance Program, Pursuant to Section 6 of Public Law 897, 81st Congress (the Yugoslav Emergency Relief Assistance Act of 1950). H. Doc. 493, August 17, 1954. 2p.

Revising and Extending the Laws Relating to Espionage and Sabotage. Conference Report to accompany H. R. 5980. H. Rpt. 2675, August 19, 1954. 2p.

Mutual Security Appropriation Bill, 1955. Conference Report to accompany H. R. 10051. H. Rpt. 2671, August 19, 1954. 5p.

Double Taxation Convention With Germany. Report to accompany Executive J. S. Exec. Rpt. 8, August 19, 1954. 4p.

Activity of the Committee on Interstate and Foreign Commerce Report of the House Committee on Interstate and Foreign Commerce. H. Rpt. 2678, August 20, 1954. 47p.

Federal Republic of Germany. Report to accompany H. R. 9988. S. Rpt. 2505, August 20, 1954. 4p.

TREATY INFORMATION

Tax Treaty Negotiations With Honduras

Press release 488 dated September 1

United States and Honduras tax officials are having technical discussions looking to the conclusion of a convention for the avoidance of double taxation with respect to taxes on income. If a basis for agreement is found, a draft of the proposed terms will be prepared by the participants and submitted to their respective governments for consideration with a view to signing.

The Department of the Treasury would welcome such comments and suggestions as interested persons may wish to make in regard to the proposed agreement. Such comments and suggestions should be transmitted to the Office of the Secretary of the Treasury.

Current Actions

MULTILATERAL

Commodities—Sugar

International sugar agreement. Done at London under date of October 1, 1953.

Ratification deposited: Belgium, July 22, 1954.

Slave Trade

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953.¹

Signature: Sweden, August 17, 1954.

Telecommunications

International telecommunication convention and final protocol. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954.¹

Ratification deposited: Dominican Republic, July 27, 1954.

Additional protocols to the international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force December 22, 1952.

Ratification deposited: Dominican Republic, July 27, 1954.

BILATERAL

Greece

Agreement concerning the transfer of community radios to the Government of Greece, with three schedules attached. Signed at Athens August 18, 1954. Entered into force August 18, 1954.

Italy

Agreement amending the agreement of December 18, 1948 (TIAS 1864) for financing certain educational exchange programs. Effected by exchange of notes at Rome June 14 and 30, 1954. Entered into force June 30, 1954.

Thailand

Agreement for the sale and purchase of tin concentrates. Signed at Bangkok August 11, 1954. Entered into force August 11, 1954; operative retroactively from August 1, 1954.

¹ Not in force for the United States.

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The Department of State bulletin

VOL. XXXI, No. 795 • PUBLICATION 5586

September 20, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has
been approved by the Director of the
Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not
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OF STATE BULLETIN as the source will be
appreciated.

Collective Defense for Southeast Asia

STATEMENT BY SECRETARY DULLES¹

We have come here to establish a collective security arrangement for Southeast Asia. In so doing we are acting under the authority, and in accordance with the principles, of the United Nations Charter. What we do is directed against no nation and no peoples. We exercise what the charter refers to as the inherent right of collective self-defense.

The United States has itself no direct territorial interests in Southeast Asia. Nevertheless, we feel a sense of common destiny with those who have in this area their life and being.

We are united by a common danger, the danger that stems from international communism and its insatiable ambition. We know that wherever it makes gains, as in Indochina, these gains are looked on, not as final solutions, but as bridge-heads for future gains. It is that fact which requires each of us to be concerned with what goes on elsewhere.

The danger manifests itself in many forms. One form is that of open, armed aggression.

We can greatly diminish that risk by making clear that an attack upon the treaty area would occasion a reaction so united, so strong, and so well placed that the aggressor would lose more than it could hope to gain.

So our association should bind the members to develop both individual and collective capacity to resist armed attack. The United States is itself seeking to do that, and we note with satisfaction the efforts which are being made in this direction in other countries here, such as the Philippines, Thailand, and Pakistan. We welcome the historic declaration by the Prime Min-

ister of Australia that Australia was prepared to accept, even in time of peace, overseas military commitments.

It will be necessary to assure that the individual efforts of the various parties to the treaty are used to the best common advantage. Those nations which are represented here cannot match the vast land armies of which international communism disposes in Asia. For the free nations to attempt to maintain or support formidable land-based forces at every danger point throughout the world would be self-destructive.

Insofar as the United States is concerned, its responsibilities are so vast and so far flung that we believe we serve best by developing the deterrent of mobile striking power, plus strategically placed reserves.

I am confident that our prospective treaty members, by adequate and well-coordinated efforts which are within our capacity, can establish a power that protects us all.

In addition to the danger of open, armed attack there is the danger from subversion and indirect aggression. There is no simple or single formula to cover such risks. To meet them requires dedication, fortitude, and resourcefulness, such as was shown here by President Magsaysay.

The opportunities of communism will diminish if trade relationships help the free nations to strengthen their economies. This will require the participation of countries additional to those which are particularly concerned with the security of Southeast Asia. Economic planning, to be adequate, must stimulate trade not only within the Southeast Asia area but also between that area and South Asia and the West Pacific. Such planning is obviously beyond the scope of this Conference. But this Conference would not do its duty toward the many who place hope in us if

¹ Made before the opening session of the Southeast Asia Conference at Manila on Sept. 6 (press release 492).

we did not leave here with a well-conceived resolve to unite our efforts with those of others to make the free countries of this area stronger and more vigorous, not only militarily, but also socially and economically.

Some countries which have a close relationship to the prospective treaty area are not here. Among these are Cambodia, Laos, and Viet-Nam. Their governments and people can know that we shall have them much in mind, and I hope we shall be able to throw over them some mantle of protection. There are other countries which may subsequently desire to join our defensive grouping. To that end our treaty will, I hope, make provision for the adherence of new members.

There is one aspect of our problem which should always be remembered. That is the yearning of the Asian peoples to be free of "colonialism."

International communism uses "nationalism" as a slogan for gaining control and then imposes its own brutal form of imperialism, which is the negation of nationalism.

We are rightly zealous against that Communist threat. But we should be careful lest that zeal lead us inadvertently to offend those who still associate colonialism with the Western Powers.

It must be made abundantly clear that we, each and all, intend to invigorate the independence of the new nations and to promote the processes whereby others become capable of winning and sustaining the independence they desire. Only then can the West and the East work together in true fellowship.

We gather here with some differences to be resolved. That is nothing frightening. Differences are inherent in a society of freedom.

I do not doubt that out of our initial differences we shall develop an area of significant agreement. That is our high duty, both to ourselves and others.

We see that duty dramatically defined as in Northern Viet-Nam hundreds of thousands are today abandoning their ancient homes to start life anew where they believe they will be free. We are seeing another exodus, such as took millions out of Communist East Germany and millions out of Communist North Korea.

Those of us who are free and strong and not yet instantly imperiled are bound in honor to prove that freedom can protect those who, at immense sacrifice, are faithful to freedom.

Let that be the dedication of our Conference.

STATEMENT BY SECRETARY DULLES²

We have taken here a major step in building security for Southeast Asia. My Government expresses its profound satisfaction. It has long been the view of the United States that there was need here for more unity, so that there might be more security.

Nearly 4 years ago, I myself was in this area on the task of developing security arrangements. Those efforts resulted in mutual security treaties with three of the Governments represented here today—the Philippines, Australia, and New Zealand. But that did not fulfill our aspirations. Those treaties of 1951 expressly called for "the development of a more comprehensive system of regional security in the Pacific area."

President Eisenhower, in his peace address of April 16, 1953, called for united action against the Communist threat in Southeast Asia. That theme was again expressed in my own address of March 29, 1954.³ Now Senator Smith, Senator Mansfield, and I are honored to join our signatures with those of others to a Southeast Asian pact of broad import. Constitutional steps are still needed to make this pact a complete legal reality. But the meeting of minds which has been developed here will instantly help to strengthen our position. And, of course, we need not only treaty words but behind them a strong resolve and sacrificial dedication.

We are confronted by those who believe in the power of intimidation by violence. The Korean Armistice negotiations reached their climax to the accompaniment of suicidal assaults by the Red Chinese and North Korean forces. The Geneva Conference on Indochina was accompanied by violent Communist military activity in that area.

During these days of our meeting, Communist propaganda and military activity have been intensified in nearby areas. There is little doubt but what in this Southeast Asia area, as elsewhere, the main purpose of those who are hostile to freedom is to attempt to frighten us into a division so that we shall be more vulnerable to either open aggression or to indirect subversive aggression.

That very fact is the most persuasive argument for what we have done here. If it becomes ap-

² Made before the closing session of the Conference on Sept. 8.

³ BULLETIN of Apr. 12, 1954, p. 539.

parent that efforts at intimidation promote unity rather than disunity, then perhaps the potential aggressors will change their tactics.

This treaty, as every participant has proclaimed, is not directed against any people or government. It is directed against an evil, the evil of aggression. This treaty, which consolidates our common purpose, will, we hope, serve to deter any aggression.

We realize that it is not enough to develop a military defensive and that we must have the moral offensive. In the statement which I made at the opening of this Conference I said, "It must be made abundantly clear that we, each and all, intend to invigorate the independence of the new nations and to promote the processes whereby others become capable of winning and sustaining the independence they desire."

I am glad to say that we have done that. The preamble to our treaty and, perhaps even more importantly, the Pacific Charter which we also sign proclaim in ringing terms the dedication of all of our states to the ideals of self-determination, of self-government, and of independence.

It is a shocking thing that Communists, who seek only to enslave, have persuaded so many that they are liberators. The true facts are just the reverse. Individual human dignity and national freedom derive from the spiritual principles which our nations espouse but which materialistic communism tramples under foot.

This Conference will perhaps have made its greatest contribution if it assures the free nations the moral initiative which is their rightful heritage.

TEXT OF PACIFIC CHARTER

The Delegates of Australia, France, New Zealand, Pakistan, the Republic of the Philippines, the Kingdom of Thailand, the United Kingdom of Great Britain and Northern Ireland, the United States of America;

Desiring to establish a firm basis for common action to maintain peace and security in Southeast Asia and the Southwest Pacific;

Convinced that common action to this end, in order to be worthy and effective, must be inspired by the highest principles of justice and liberty;

Do hereby proclaim:

First, in accordance with the provisions of the United Nations Charter, they uphold the principle of equal rights and self-determination of peoples

and they will earnestly strive by every peaceful means to promote self-government and to secure the independence of all countries whose peoples desire it and are able to undertake its responsibilities;

Second, they are each prepared to continue taking effective practical measures to ensure conditions favorable to the orderly achievement of the foregoing purposes in accordance with their constitutional procedures;

Third, they will continue to cooperate in the economic, social and cultural fields in order to promote higher living standards, economic progress and social well-being in this region;

Fourth, as declared in the Southeast Asia Collective Defense Treaty, they are determined to prevent or counter by appropriate means any attempt in the treaty area to subvert their freedom or to destroy their sovereignty or territorial integrity.

Proclaimed at Manila, this eighth day of September, 1954.⁴

TEXT OF SOUTHEAST ASIA COLLECTIVE DEFENSE TREATY

The Parties to this Treaty,

Recognizing the sovereign equality of all the Parties,

Reiterating their faith in the purposes and principles set forth in the Charter of the United Nations and their desire to live in peace with all peoples and all governments,

Reaffirming that, in accordance with the Charter of the United Nations, they uphold the principle of equal rights and self-determination of peoples, and declaring that they will earnestly strive by every peaceful means to promote self-government and to secure the independence of all coun-

⁴ Signed for Australia by Richard G. Casey, Minister of External Affairs; for France by Guy La Chambre, Minister of State; for New Zealand by T. Clifton Webb, Minister of External Affairs; for Pakistan by Chaudhri Muhammad Zafrulla Khan, Foreign Minister; for the Republic of the Philippines by Carlos P. Garcia, Vice President and Secretary of Foreign Affairs, Francisco A. Delgado, Chairman of the Senate Committee on Foreign Relations, Senator Tomas L. Cabili, Senator Lorenzo M. Tañada, and Representative Cornelio T. Villareal; for Thailand by Prince Wan Waithayakon Krommun Naradhip Bongsprabandh, Minister of Foreign Affairs; for the United Kingdom by the Marquess of Reading, Minister of State; and for the United States by Secretary Dulles, Senator H. Alexander Smith, and Senator Michael J. Mansfield.

tries whose peoples desire it and are able to undertake its responsibilities,

Desiring to strengthen the fabric of peace and freedom and to uphold the principles of democracy, individual liberty and the rule of law, and to promote the economic well-being and development of all peoples in the treaty area,

Intending to declare publicly and formally their sense of unity, so that any potential aggressor will appreciate that the Parties stand together in the area, and

Desiring further to coordinate their efforts for collective defense for the preservation of peace and security,

Therefore agree as follows:

ARTICLE I

The Parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered, and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations.

ARTICLE II

In order more effectively to achieve the objectives of this Treaty, the Parties, separately and jointly, by means of continuous and effective self-help and mutual aid will maintain and develop their individual and collective capacity to resist armed attack and to prevent and counter subversive activities directed from without against their territorial integrity and political stability.

ARTICLE III

The Parties undertake to strengthen their free institutions and to cooperate with one another in the further development of economic measures, including technical assistance, designed both to promote economic progress and social well-being and to further the individual and collective efforts of governments toward these ends.

ARTICLE IV

1. Each Party recognizes that aggression by means of armed attack in the treaty area against any of the Parties or against any State or terri-

tory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it will in that event act to meet the common danger in accordance with its constitutional processes. Measures taken under this paragraph shall be immediately reported to the Security Council of the United Nations.

2. If, in the opinion of any of the Parties, the inviolability or the integrity of the territory or the sovereignty or political independence of any Party in the treaty area or of any other State or territory to which the provisions of paragraph 1 of this Article from time to time apply is threatened in any way other than by armed attack or is affected or threatened by any fact or situation which might endanger the peace of the area, the Parties shall consult immediately in order to agree on the measures which should be taken for the common defense.

3. It is understood that no action on the territory of any State designated by unanimous agreement under paragraph 1 of this Article or on any territory so designated shall be taken except at the invitation or with the consent of the government concerned.

ARTICLE V

The Parties hereby establish a Council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty. The Council shall provide for consultation with regard to military and any other planning as the situation obtaining in the treaty area may from time to time require. The Council shall be so organized as to be able to meet at any time.

ARTICLE VI

This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of any of the Parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security. Each Party declares that none of the international engagements now in force between it and any other of the Parties or any third party is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagement in conflict with this Treaty.

ARTICLE VII

Any other State in a position to further the objectives of this Treaty and to contribute to the security of the area may, by unanimous agreement of the Parties, be invited to accede to this Treaty. Any State so invited may become a Party to the Treaty by depositing its instrument of accession with the Government of the Republic of the Philippines. The Government of the Republic of the Philippines shall inform each of the Parties of the deposit of each such instrument of accession.

ARTICLE VIII

As used in this Treaty, the "treaty area" is the general area of Southeast Asia, including also the entire territories of the Asian Parties, and the general area of the Southwest Pacific not including the Pacific area north of 21 degrees 30 minutes north latitude. The Parties may, by unanimous agreement, amend this Article to include within the treaty area the territory of any State acceding to this Treaty in accordance with Article VII or otherwise to change the treaty area.

ARTICLE IX

1. This Treaty shall be deposited in the archives of the Government of the Republic of the Philippines. Duly certified copies thereof shall be transmitted by that government to the other signatories.

2. The Treaty shall be ratified and its provisions carried out by the Parties in accordance with their respective constitutional processes. The instruments of ratification shall be deposited as soon as possible with the Government of the Republic of the Philippines, which shall notify all of the other signatories of such deposit.

3. The Treaty shall enter into force between the States which have ratified it as soon as the instruments of ratification of a majority of the signatories shall have been deposited, and shall come into effect with respect to each other State on the date of the deposit of its instrument of ratification.

ARTICLE X

This Treaty shall remain in force indefinitely, but any Party may cease to be a Party one year after its notice of denunciation has been given to the Government of the Republic of the Philippines,

which shall inform the governments of the other Parties of the deposit of each notice of denunciation.

ARTICLE XI

The English text of this Treaty is binding on the Parties, but when the Parties have agreed to the French text thereof and have so notified the Government of the Republic of the Philippines, the French text shall be equally authentic and binding on the Parties.

Understanding of the United States of America

The United States of America in executing the present Treaty does so with the understanding that its recognition of the effect of aggression and armed attack and its agreement with reference thereto in Article IV, paragraph 1, apply only to communist aggression but affirms that in the event of other aggression or armed attack it will consult under the provisions of Article IV, paragraph 2.

In witness whereof, the undersigned Plenipotentiaries have signed this Treaty.⁵

Done at Manila, this eighth day of September, 1954.

Protocol to the Southeast Asia Collective Defense Treaty

Designation of states and territory as to which provisions of Article IV and Article III are to be applicable:

The Parties to the Southeast Asia Collective Defense Treaty unanimously designate for the purposes of Article IV of the Treaty the States of Cambodia and Laos and the free territory under the jurisdiction of the State of Vietnam.

The Parties further agree that the above mentioned states and territory shall be eligible in respect of the economic measures contemplated by Article III.

⁵ For signatories see footnote 4. In signing the Treaty the Australian representative, Mr. Casey, said in part: "I shall sign—subject to the right of the Australian Government to review the Treaty prior to ratification in accordance with Australian Constitutional practice." The representative of Pakistan, Sir Zafrulla Khan, made the following explanation: "Signed for transmission to my Government for its consideration and action in accordance with the Constitution of Pakistan."

This Protocol shall enter into force simultaneously with the coming into force of the Treaty.

In witness whereof, the undersigned Plenipotentiaries have signed this Protocol to the Southeast Asia Collective Defense Treaty.⁵

Done at Manila, this eighth day of September, 1954.

Atomic Power for Peaceful Use

*Remarks by the President*⁶

This is the day that our country annually dedicates to American labor. So today we pause to take special note of the dignity and the work and the tremendous accomplishments of the individual worker in our land. On this day we salute with special pride the unmatched productivity of our working men and women. We are all grateful for what free people can achieve.

It is our good fortune, therefore, that on this special day we take an historic step forward, opening for all of us new avenues to constructive employment, to prosperity, and to methods for increasing the effectiveness of the American worker.

For today at Shippingport, Pa., we begin building our first atomic power plant of commercial size—a plant expected to produce electricity for 100,000 people. In thus advancing toward the economic production of electricity by atomic power, mankind comes closer to fulfillment of the ancient dream of a new and a better earth.

But we do not stop with this plant, nor indeed with our own country's hopes and dreams. Our many proposals for peaceful use of the atom have so far been cynically blocked in the councils of the world, but we shall proceed onward. We shall proceed now—under safeguards set forth in our law—to share atomic technology with others of good will.

We have just agreed with a number of other nations to go ahead now with the formation of an international agency which will foster the growth and spread of the new atomic technology for peaceful use. Atomic materials for projects sponsored by this agency will be set aside for that purpose. We hope that no nation will long stand aloof from the work of this agency.

⁵ See footnote 5 on p. 395.

⁶ Made to the Nation over radio and television on Sept. 6 from the summer White House at Denver, on the occasion of ground-breaking ceremonies for an atomic power plant at Shippingport, Pa.

Now, as these arrangements are being made, we will set up a reactor school to help train representatives of friendly nations in skills needed for their own atomic programs. Discussions also will shortly take place on cooperation with countries planning to build their own research reactors.

As examples, in this program we are about to negotiate with the Government of Belgium on building an atomic power reactor in that country. On Thursday of this week [September 9] we begin talks on atomic matters with our friends in Canada. Negotiations with other friendly nations will swiftly follow.

My friends, through such measures as these and through knowledge we are sure to gain from this new plant we begin today, I am confident that the atom will not be devoted exclusively to the destruction of man, but will be his mighty servant and tireless benefactor.

It is then with profound hope and confidence—and with prayer for future ages of mankind—that I now, by this act, begin construction of America's first commercial-size atomic power plant.

Base Rights Agreement With Libya

Statement by Acting Secretary Smith

Press release 497 dated September 9

The signature in Benghazi of a base rights agreement today between the United Kingdom of Libya and the United States of America is an important contribution to the defense of the free world. This agreement and the exchange of notes between the two Governments concerning assistance which the United States will provide for Libya's economic development strengthen the ties of amity which bind together the people of the two countries. I wish to take this opportunity to express my firm belief that this occasion marks the opening of an era of increasingly close relations between our two countries, relations based on the principles of mutual respect and of cooperation in the common interest.

The United States showed its friendship for the Libyan people several years ago by strongly supporting the proposal adopted by the U.N. General Assembly that Libya should become an independent state. Since Libya's future remains of deep concern to us, the United States is gratified to note Libya's efforts to strengthen itself

internally and to take its rightful place among the free and sovereign states of the world. In the general sphere of international relations the United States will continue to cooperate with Libya and to encourage its development and progress in friendly association with the other sovereign states of the world. To this end, the United States continues to support Libya's admission to membership in the United Nations, whose purposes and principles are served by the present understandings.

The United States recognizes that the United Kingdom of Libya should rest on a firm economic foundation. We have already contributed substantially to that end through our own and the U.N. programs of technical assistance. We are now making provision, subject to congressional

authorization and appropriations, for dollar assistance toward Libya's economic development. This sympathetic attitude toward Libya's economic needs is also exemplified by past grants of wheat by the United States when famine conditions prevailed in Libya and by its present undertaking, in view of drought in Libya, to help that country meet its minimum food grain requirements during the current season. The United States will continue its sympathetic interest in Libya's progress toward economic viability in future years and will cooperate with the Libyan Government in considering measures required for the development of Libya's economic resources in the light of the traditional friendship between the two Governments and in the light of progress already made.

U.S. Policy on European Security Matters

TEXT OF U.S. NOTE TO U.S.S.R.

Press release 504 dated September 10

Following is the text of the U.S. Government's reply to the Soviet note of July 24, 1954, on European security which was delivered on September 10 to the Ministry of Foreign Affairs at Moscow. Identical notes were delivered by the French and British Governments.

The United States Government, in consultation with the British and French Governments, with the other NATO Governments and also with the Austrian and German Federal Governments, has studied with close attention the Soviet Government's note of July 24 and its oral communication of August 4.

In these communications the Soviet Government has repeated its proposals which were fully discussed at the Berlin Conference. The United States Government attaches great importance to European security but it cannot be usefully discussed unless the fundamental interests of all the parties concerned are safeguarded. Security in Europe cannot be brought about by the signature of a general treaty of the kind proposed by the Soviet Government. It will only result from the solution of concrete problems, of which the most pressing are those of Germany and Austria.

The United States Government notes that the

Soviet Government has again alleged that NATO constitutes an "aggressive military grouping". The aims of NATO are purely defensive and are in entire conformity with the Charter of the United Nations. It was set up to enable the western democracies to defend themselves against the threat created by the establishment since 1945 of a heavily armed Soviet grouping in Eastern Europe. It now forms a free association of like-minded states, with other than purely military ties. There can be no question either of modifying or abandoning this conception.

The association of the German Federal Republic with other peace-loving states of Western Europe in a defensive system, long after the rearming of Eastern Germany, far from constituting a threat to European security, is intended to prevent any nation from having independent recourse to the threat or use of force. This is the best guarantee for the security of all Germany's neighbors, of Germany herself and of Europe as a whole.

Neither in its note of July 24 nor in its oral communication of August 4 has the Soviet Government made any new proposals for a solution of the German problem. Under the proposed Soviet security treaty the present division of Germany would be maintained contrary to the profound desire of the German people. The U.S. Government, on the other hand, believes that Germany

must be re-united in freedom at the earliest possible moment and that this can only be achieved by holding free elections throughout Germany under international supervision. The U.S. Government remains prepared to negotiate on the basis of the practical plan put forward by the three Western Powers at the Berlin Conference for the early holding of elections.

The simplest step towards the promotion of European security remains, however, an early settlement of the Austrian question. In this connection the U.S. Government must once again express the view that conclusion of an Austrian treaty should not, as proposed by the Soviet Government, be dependent upon an all-European settlement, upon a German peace treaty, or upon any other matter extraneous to the Austrian treaty. At Berlin the U.S. Government offered, contingent upon prompt Soviet acceptance, to accept the Soviet text of all the previously unagreed articles in the Austrian state treaty. The U.S. Government is prepared to renew that offer now. If the Soviet Government will sign the treaty in these terms, agreement could thus be reached at once to restore to Austria the freedom and independence which have been promised to her since 1943.

Agreement on the question of disarmament would undoubtedly help to create the necessary atmosphere in which the problem of European security could usefully be discussed. The U.S. Government seeks the abolition of the use, possession and manufacture of all atomic, hydrogen and other weapons of mass destruction, within a system which would include provisions for simultaneous and major reductions in conventional armaments and armed forces to levels to be agreed, the whole program to be carried out in accordance with an agreed timetable and under effective supervision and control. During the recent discussions in the U.N. subcommittee, the U.S. Government put forward proposals which could have led to progress. Although the Soviet Government was not then willing to consider these proposals, the U.S. Government will continue to seek an acceptable and effective agreement and hope that the Soviet Government will contribute to this end.

These are the problems to which practical agreed solutions must be found if there is to be genuine security in Europe. Further international discussion of them would only be useful if there is a better prospect of finding solutions than was revealed in the exhaustive discussions at the Berlin

Conference or than is now revealed in the latest Soviet communications. The U.S. Government remains determined to do all in its power to make progress on these problems. It hopes that the Soviet Government will contribute to such progress by: (A) signing the Austrian state treaty with the Soviet text of the previously unagreed articles, an offer made at the Berlin Conference by the United States, United Kingdom, France and Austria which the United States Government now renews; (B) agreeing to free elections on the basis proposed by the United States Government at Berlin as the essential first step towards German reunification in freedom. If progress could be made in this way, the United States Government would then be prepared to agree to the convocation of a meeting of the foreign ministers of the United States, France, the United Kingdom, and the Union of Soviet Socialist Republics to complete the action on these problems and then to consider the remaining aspects of European security. The United States Government also sincerely hopes that the disarmament discussions in the U.N. can be brought to a successful conclusion.

SOVIET NOTE OF JULY 24

[Unofficial translation]

The Soviet Government in connection with the U.S. Government's note of May 7¹ considers it necessary to state the following:

From the above-mentioned note of the U.S. Government it is evident that it does not share the views contained in the Soviet Government's note of March 31² both in regard to the question of an all-European treaty concerning collective security in Europe and in regard to the readiness expressed by the Soviet Government to consider jointly with interested governments the question of the U.S.S.R.'s participation in the North Atlantic Treaty. Moreover, the U.S. Government introduced no proposals directed toward ensuring the security of all the countries of Europe. This attitude of the U.S. Government toward the important question of ensuring security in Europe can have no justification if one proceeds from the interests of strengthening peace.

From the above-mentioned note it is evident that, while referring to its interest in ensuring security in Europe, the U.S. Government defends a position which in actuality cannot serve this purpose, inasmuch as, under the guise of ensuring security in Europe, narrow closed groupings of states are being organized from participation in which all other states are being excluded. It is to this that the position of the U.S. regarding the creation of an "asso-

¹ BULLETIN of May 17, 1954, p. 756.

² *Ibid.*, p. 757.

ciation of like-minded states," along the lines of the North Atlantic Treaty Organization and the European Defense Community, reduces itself. From this it follows that instead of recognizing the necessity for security of all European states regardless of their social system the U.S. Government has adopted the position of creating closed groupings of states which follow a policy serving the narrow group interests of these states and which are opposed to other states with different social systems.

The facts, however, show that such groupings which turn into aggressive military alliances cannot serve the strengthening of peace and security of peoples. Such groupings set themselves off in opposition to other states and inevitably involve an armaments race and an aggravation of international relations leading to new wars. Thus the U.S. Government in carrying out a policy of creating closed military groupings is acting in contradiction to the security interests of all European states and, in fact, as an opponent of ensuring the security of all Europe. The creation of such closed groupings which are aggressive in character contradicts the principles of the U.N. organization inasmuch as the U.N. organization was founded on the basis of uniting states regardless of their social and political systems and is called on to support the peace and security of peoples relying on co-operation and collective efforts of states. It is specifically closed military groupings such as these that are undermining the principles of the U.N. organization and its international authority.

NATO is such an aggressive military grouping. The Soviet Government has repeatedly pointed out that NATO in no way has a defensive character. This organization completely ignores the danger of repetition of German aggression and does not take as its task prevention of such aggression despite the fact that both England and France by a treaty between themselves and by their treaties with the U.S.S.R. assumes the obligation of preventing new German aggression. This circumstance alone furnishes adequately convincing evidence that NATO does not in any way aid to remove the danger, very real under present circumstances, of rebirth of German militarism and repetition, connected with this, of German aggression which threatens the peoples of Europe with new and still more grievous calamities. In this connection one cannot but note that only the U.S.S.R., of all the great powers participating in the anti-Hitlerite coalition, is not included among the participants of this organization. One cannot but consider this fact as clear evidence of the aggressiveness of NATO in relation to the Soviet Union. The U.S. Government's note of May 7, which contains a refusal to consider the question raised by the Soviet Government concerning the possibility of the Soviet Union's participation in NATO, fully confirms the aggressive character of this organization.

In the U.S. note of May 7 it is alleged that the Soviet Union, in the event of its joining NATO, could utilize its rights as a member of this organization "to veto every decision" and thus to "disrupt" this organization. The artificiality and groundlessness of such conclusions are evident since the Soviet Union pretends to no special role in comparison to other participants in this treaty.

The Soviet Government cannot but again emphasize

the special danger connected with the formation, now in preparation, of a new military grouping under the title "European Defense Community", the program and plans of which lead to the rebirth of German militarism which threatens the security of all Europe and, in particular, the security of states which are West Germany's neighbors. The allegation contained in the U.S. Government's note of May 7 that the European Defense Community is an organization which "by its very nature would prevent Germany from taking any individual armed action" is groundless. To suppose that this time it will be possible to keep German militarism within bounds by the aid of the Paris and Bonn agreements is not to reckon with historical facts. Moreover, the experience of history shows that whenever militarists and revanchists have taken the fate of Germany into their hands, she inevitably has taken the path of aggression, turning her agreements and pledges regarding the security of other states into scraps of paper. Execution of plans to create a European Defense Community cannot therefore but lead to increasing the threat of a new war in Europe, the first victims of which will be West Germany's closest neighbors. It is not an organization of the type of the European Defense Community, which is a closed military grouping, but rather an international organization embracing all European states which can serve as a guaranty of peace and security in Europe.

The Soviet Union has consistently proceeded and continues to proceed from the recognition of the possibility of co-existence of states with different social systems and from the necessity for international cooperation relying on the collective efforts of all European states interested in ensuring international security and peace.

Guided by this, the Soviet Government at the Berlin Conference of Ministers of Foreign Affairs of England, France, U.S.A. and U.S.S.R., introduced a proposal for consideration "regarding ensuring security in Europe" and put forward in this connection a draft of principles of an "all-European treaty of collective security in Europe."³ Most important peculiarity and value of the all-European treaty proposed by the Soviet Union is the fact that its participants could be all European states regardless of their social systems. Both the German Democratic Republic and the German Federal Republic could be participants in this treaty and, after unification of Germany, the united German state could become a participant in the treaty. The foundation of an all-European treaty is the principle of collective action by states-participants in the all-European treaty against the threat of armed attack in Europe on one or on several states-participants in the treaty. Moreover, each participant in the treaty pledges himself in the event of attack on any other state participating in the treaty to extend to the state or states undergoing such attack assistance by all available means, including use of armed force, in order to restore and support international peace and security in Europe. In addition, states-participants in the treaty pledge themselves not to take part in any coalitions or alliances and to conclude no agreements whose aims are contradictory to the aim of ensuring collective security in Europe.

A European system of this sort would create real con-

³ *Ibid.*, Feb. 22, 1954, p. 269.

ditions of security in Europe. It would represent a serious step forward in this important matter and would create more favorable conditions for the settlement of the German problem on the basis of creating united Germany as a peace-loving, independent, and democratic state. In this event, those serious obstacles to the reunification of Germany which during recent years have been created by the policy of remilitarization of West Germany and by plans to bring her into the so-called European Defense Community would be removed.

The creation of an all-European system of collective security, together with the withdrawal from Germany of occupation troops and the agreed limitation in numbers of German police prior to conclusion of a peace treaty with Germany, would, in accordance with this, ensure neutralization of Germany, and thus would prevent the reappearance of a source of war in the heart of Europe, to which restoration of German militarism is inevitably leading.

The conclusion of an all-European treaty would undoubtedly also contribute to the solution of the Austrian question, the responsibility for whose lack of settlement is borne, despite the assertion contained in the American note, by the Governments of the U.S.A., England, and France, which hindered the conclusion of a state treaty with Austria at the Berlin conference and did not give up plans for bringing Austria into their military grouping.

A system of collective security in Europe established on the basis of an all-European treaty would correspond with the fundamental interests of the peoples and would have decisive significance in the matter of reducing international tension, inasmuch as the European countries would be united by a common purpose of opposing aggression and by a common obligation to take effective measures to ward off such a threat and to support security in Europe. The preservation and support of peace in Europe would undoubtedly have a very important significance for the support of general peace and for warding off the threat of a new world war.

The danger of war calls forth legitimate alarm among the peoples of Europe, who very recently lived through the second world war unleashed by German militarists. The peoples of England, France, the Soviet Union, Poland, and other countries of Europe whose territories were enveloped by the conflagration of war can realize better than anyone the incalculable calamities of a new war. Popular alarm is connected first of all with the threat of the use of atomic and hydrogen weapons, especially in view of the ever-increasing destructive force of new types of these weapons of mass popular destruction. Together with this, one should also take into account the development of such new types of weapons as rockets, whose range of action is figured in thousands of kilometers, to say nothing of the fact that guided rocket missiles with atomic warheads bear no comparison in destructive force with the flying bombs—"FAU"—with which, at the end of the Second World War, Hitlerites, doomed to destruction, tried to annihilate certain world-famed centers of culture and civilization. Under these conditions it becomes an exceptionally important task to reach international agreement on the unconditional prohibition of atomic and hydrogen weapons and on the reduction of the armaments and armed forces of states.

Efforts of the Soviet Government are being directed toward carrying out this very task. This is shown by the Soviet Government's proposals regarding unconditional prohibition of atomic, hydrogen, and other weapons of mass destruction, and also proposals regarding substantial reduction of all armaments and armed forces of states with the establishment of strict international control over the implementation of corresponding decisions. This is also shown by the latest proposal of the Soviet Union that governments assume the unconditional obligation not to use atomic and hydrogen weapons, which could serve as an important step on the path toward complete elimination from state armaments of atomic, hydrogen, and other types of weapons of mass destruction with the establishment of strict international control.⁴

As is known, these proposals of the Soviet Union were not supported by the Government of the U.S.A. The position taken by the U.S. Government on this question not only gives no evidence of any desire for reduction of armaments and prohibition of atomic and hydrogen weapons, as the U.S. Government states in its note of May 7, but on the contrary gives evidence of opposition on the part of the U.S. Government to any effective measures in this direction.

The Government of the U.S.A. states in its note that agreement on the prohibition of atomic weapons and the reduction of other types of armaments is possible only on condition of the preliminary establishment of an "atmosphere of security and trust." It is beyond doubt that an "atmosphere of security and trust" is a positive factor in the matter of assuring international security.

However, it is impossible not to note that the policy of the U.S.A. on the question of prohibiting the use of atomic energy for military purposes and of reducing armaments is in contradiction with the aim of establishing an "atmosphere of security and trust" and with the aim of reducing international tension. As is known, this policy is directed toward accumulating atomic and hydrogen weapons, which are weapons of aggression, on whose employment all military plans of the U.S.A. are based, and to which is allotted a principal place in the arsenal of armaments of the United States. Such a policy cannot contribute to the establishment of an "atmosphere of security and trust." The accumulation of stocks of atomic and hydrogen weapons, accompanied by continuing threats of using these weapons, the organization of military bases in foreign territory, the armaments race, the knocking together of aggressive military blocs under the flag of an "association of like-minded states"—all this cannot but weaken international trust and cannot but increase tensions in international relations. On the other hand, the very fact of prohibition of atomic weapons and measures for reducing other types of armaments could not but contribute to the strengthening of international trust and the creation of an atmosphere of security.

Also in contradiction with statements about the necessity of the establishment of an "atmosphere of security and trust," are the war propaganda and the campaign

⁴For texts of Soviet proposals in the Subcommittee of the U. N. Disarmament Commission at London in May and June, see *ibid.*, Aug. 2, 1954, pp. 175, 177, and 182.

of inflaming hatred and enmity between peoples which is widely carried on in the U.S.A. As early as 1947 the U.N. General Assembly unanimously adopted a resolution which condemned war propaganda in any form and required member governments of the U.N. to take measures to further the strengthening of friendly relations between states and to spread information designed "to express the undoubted desire by all peoples for peace." Despite this, in the U.S.A. not only the reactionary section likely to be connected with certain social circles but also persons occupying responsible posts in the government apparatus actively participate in such propaganda.

In complete contradiction with the statements about the necessity for an "atmosphere of security and trust" are the constant statements hostile to the Soviet Union of political and military figures in the U.S.A. In their statements they do not balk at calling for continuation and intensification of subversive, diversionary, and terroristic activity in the U.S.S.R. and countries of people's democracy. Calls are also sounded for breaking diplomatic relations with the Soviet Union. In violation of the sovereign rights of the Chinese people, crude pressure is employed on many states in order to prevent the Chinese People's Republic from taking the legitimate place to which it is entitled in the organization of the U.N.

Moreover, there are propagandized in pages of the American press different plans for using military bases for preparation of an attack on the Soviet Union, the Chinese People's Republic, and countries of people's democracy. In the press it is openly stated that military air bases of the U.S.A. are intended for the destruction of the industry of the Soviet Union. In particular there is especially emphasized the significance of those military air bases from which, according to conceptions of U.S. military leaders, there can be undertaken an atomic attack "against any principal objective of Russia." One must note the bellicose statements of a number of prominent military figures of the U.S.A. who call for sending bombers "against Moscow and Peking" and dropping atomic bombs on them although the adventurist character of all this propaganda and of all the advertisement of these aggressive plans is obvious to every sensible-minded person.

In the light of what has been set forth, it is completely impossible to take seriously the observation contained in the U.S. Government's note of May 7 that, for the success of negotiations on measures directed toward strengthening peace and ensuring international security, there must first be created an "atmosphere of security and trust." Facts show that not only do the ruling circles of the U.S.A. do nothing to create such atmosphere but are acting in exactly the opposite direction.

As regards the Soviet Union, it is important to note that as early as 1951 the "law on the defense of peace" was adopted by the Supreme Soviet of U.S.S.R. In accordance with the principles of the Soviet peace-loving policy pursuing the aim of strengthening peace and friendly relations between peoples, this law declared war propaganda in any form whatsoever to be a most heinous crime against humanity and makes it obligatory to bring

to trial as heinous criminals persons who are guilty of such war propaganda.

The Soviet Government stands on guard for interests of peace and international cooperation while taking all possible measures for the realization of these high aims.

The Soviet Government notes with satisfaction that the draft treaty on collective security in Europe which it proposed met with a favorable attitude on the part of a whole series of states of Europe, and not only of Europe. Even in those countries where official persons took a negative position in relation to this draft, wide public circles ever more persistently demand the uniting of the efforts of European states in the interest of ensuring collective security in Europe. It is necessary to note furthermore that not all European states have spoken out concerning the proposal for an all-European treaty on collective security in Europe.

While attaching important significance to detailed consideration of this question affecting the vital interests of the people of Europe, the Soviet Government considers that it is necessary to examine the question of collective security in Europe, with participation of the widest possible representation of European states.

In accordance with numerous statements recently made, the Soviet Government considers it important to expand the draft of the all-European treaty on collective security in Europe by a new clause concerning cooperation in the economic field. It has in view that states-participants in the treaty will assume the obligation to take measures directed toward development of trade and other economic ties between states, which corresponds with the vital interests of the peoples and answers the purpose of strengthening peace and international collaboration.

The agreement on Indochina achieved in Geneva on July 21 serves as one more proof of the fruitfulness of efforts directed toward normalization of international relations, toward the solution of the most important international problems not only in Asia but also in Europe. The conference at Geneva showed that the course of negotiations between states which are interested in strengthening peace and international security can give positive results.

The Geneva conference showed that under certain conditions the course of negotiations between interested states can lead to agreements serving the interests of peoples striving for peace and security.

Based on what is set forth above, the Soviet Government proposes, for the purpose of exchanging opinions on the question of establishing a system of collective security in Europe, calling within the next few months a conference of all European states which wish to take part in it, and also the United States of America. The Soviet Government considers it desirable that the Chinese People's Republic send its observers to this conference.

It goes without saying that participants in this conference should have the opportunity not only to state their attitude toward proposals of the Soviet Government but also to advance their own proposals on the question of establishing a system of collective security in Europe.

SOVIET STATEMENT OF AUGUST 4⁵

[Unofficial translation].

The Geneva Conference demonstrated that negotiations between interested powers regarding unresolved international problems could lead to favorable results corresponding to the interests of lessening tension in international relations and strengthening peace.

In this connection the Soviet Government, as is known, has proposed to the Governments of France, England, and the U. S. A. the calling in the course of the next few months of a conference of all European States desiring to take part in it, together with the U. S. A. and, in capacity of observers, representatives of the Chinese People's Republic, for consideration of the question of the creation of a system of collective security in Europe. It cannot be doubted that such a conference would have great significance for the lessening of international tension and for the further development of international cooperation.

In this regard, taking into consideration the importance of cited conference, the Soviet Government considers that

it would be useful if the Governments of France, England, U. S. A., and U. S. S. R. considered together in a preliminary way the question of calling of such a conference and of measures contributing to its success. With these aims, the Soviet Government proposes a conference of Ministers of Foreign Affairs of France, England, U. S. A., and U. S. S. R. to be held approximately in August-September of this year. It is also contemplated that consideration of the German question will be continued.

Soviet Government takes into account in this connection the fact that, with regard to basic questions having to do with the German problem, particularly the question of the establishment of the unity of Germany and the conclusion of a peace treaty with Germany, it has not been possible up to the present time to reach agreement inasmuch as, apparently, all necessary conditions for this have not been created. In this situation it would be expedient in the opinion of the Soviet Government to make new efforts in order to reach agreement in the first place with regard to several separate questions having to do with the German problem which could be resolved at the present time in a manner acceptable to the interested sides.

Preserving Peace by Strengthening the Free World

by Charles E. Saltzman

Under Secretary of State for Administration⁶

I have the honor to bring the greetings and good wishes of the United States Government to the Golden Jubilee of the International Electrotechnical Commission. You are meeting in an appropriate setting. In this city of Philadelphia the Declaration of Independence was written and signed. Here the Constitution of the United States was debated and framed for submission to the 13 original States. This was the home of Benjamin Franklin, who, besides his other great accomplishments, was a pioneer in the field of electricity. The origins of the United States are all around you.

I hope that the many delegates to this Jubilee from other countries, whom we are particularly

glad to welcome, will think from time to time of this historical background. The aims of this country were evident in its very beginning—to demonstrate by conduct and example the good fruits of freedom in contrast to the bitter fruits of despotism. Our Declaration of Independence meant, as Lincoln said, "liberty, not alone to the people of this country, but hope for the world for all future time."

What our founding fathers did become known as "the Great American Experiment." That performance so caught the imagination of the peoples of the world that everywhere men wanted for themselves a similar freedom. Despotism during the last century dwindled largely through this influence and example. I believe there is no despotism in the world which can stand up against the impact of such a gospel if the gospel is demonstrated. That needs to be remembered today.

The International Electrotechnical Commission grew from a meeting of the International Electri-

⁵ Made by Soviet Ambassador Georgi N. Zaroubin during a call on Secretary Dulles. Similar statements were made on the same date by the Soviet Ambassadors to France and the United Kingdom.

⁶ Address made at the Golden Jubilee of the International Electrotechnical Commission, Philadelphia, Pa., on Sept. 9 (press release 499).

cal Congress held at St. Louis in September 1904. On April 30, 1904, an international exposition opened at St. Louis to celebrate the Louisiana Purchase. The Exposition reminded the world, if reminder were needed, of the close historical ties that bind the United States to other peoples, in Europe, in Asia, and in other continents. Thus, there were two international events in that Mid-western metropolis 50 years ago—the meeting whence this Golden Jubilee stems and the Exposition that depicted the humanitarian, cultural, and scientific progress of the United States and of the world as the twentieth century, so brilliant with promise, opened upon a world at peace.

Within a decade of the occasions I have just described, the world was involved in the first of two world wars. Peace retrogressed as education and science opened new frontiers of culture and convenience to ever-widening masses of mankind. The age of paradox had begun. Still, it is our age, and the challenge is ours to make of it what we will.

The effects of war on civilization need no description here. The United States does not regard itself as responsible for all that happens or all that might happen on this divided planet. Nor do we suffer from the illusion that we have a sorcerer's wand that will conjure a shining peace from the dark shadows of international misunderstanding. The United States has an aim so simple that there are some, even among our friends, who hesitate to give it full faith and credence. It is to prevent war. Our aim is to avoid the further disruption of civilization that another war would loose upon the world.

Weakness Invites War

But to prevent war, strength is required. Weakness invites war. In a famous speech delivered in New York on January 12, 1954, Secretary of State Dulles referred to the changed military planning of the United States. Speaking of this policy decision, Secretary Dulles said: "The basic decision was to depend primarily upon a great capacity to retaliate, instantly, by means and at places of our own choosing."

There are some key words here that will bear emphasis. One key phrase is "a great capacity." Another is "by *means* and at *places* of our own choosing." There is no question in my mind that our commanding position in the new technology

of warfare—particularly nuclear weapons and the air power for delivering them—leaves the balance of power tilted in our favor. But these same weapons that assure us the margin of advantage over a thrusting and implacable enemy have themselves generated doubt and apprehensions, not only at home but also among our allies. This is indeed a strange and puzzling situation. Are free men, in their defense, to be prevented from using the instrumentalities brought forward out of this technical inventiveness because of brooding misgivings and distortion of purpose? Suppose the situation had been reversed. Suppose it had not been us but the other side that had first come into possession of these weapons of advantage. Then there would indeed be reason for hysteria and hand-wringing.

Let us be thankful that these new forms of power have been a bulwark to the free world's defense. The free world should never be lulled into underestimating its own strength. The United States, I want to say, has no intention of dumping its nuclear stockpiles loose upon the world. Through all the harassing we have had of a cynical and diabolical enemy, our purpose has stayed clear and steadfast. These weapons will be called into play only to put down aggression. But everyone should realize that a point could be reached where their use might be necessary to preserve the liberty which Americans of the past, including Patrick Henry, deemed to be worth more than life.

The expression "far-flung battleline" has a poetic sound, but if we let someone else decide where to fling it, our forces will be scattered wherever our enemies choose to inveigle them. The time has come to end the game of international quoits in which the aggressor chooses the ground and the nature of the contest.

We do not intend, if we can avoid it, again to be tied down at places of an aggressor's choice, instead of our own. "To retaliate instantly," in Mr. Dulles' phrase, means that we must have the flexibility of method to do so at places of our own selection to deter aggression if it occurs.

Thus, if we take the Secretary of State's full statement, which I quoted a moment ago, and place it in the context of the current rearrangement of our forces in the Pacific, we shall understand that the new concept, far from being diluted or abandoned, is being implemented in the most effective possible manner. It is important that

all Americans understand this, as well as our allies and those who would oppose us.

Dealing With Communist Threat

Different threats demand different ways of dealing with them. Cold wars require cold nerves. Communism is the threat, of course, that confronts the free world.

And the conclusion we reach on the basis of considerable experience in battling it is this: Communism will be stopped where the free world is prepared to stand.

I began this brief address with a message of greeting and good wishes from the United States Government. Those good wishes are no mere matter of protocol and politeness. What government can do to bring about a better understanding between nations and peoples has its limits. Private organizations such as the International Electrotechnical Commission have an enormous, continuing role in this field, which is the basic field of peace.

A glance at the places of your recent meetings helps to prove the point. You met in 1949 in Italy, in 1950 in France, in 1951 in Portugal, in 1952 in the Netherlands, and in 1953 in Yugoslavia. The international character of your interest, your membership, and your activities is thus clearly demonstrated.

Through the 50 years of your existence, except for the interruption of two world wars, the International Electrotechnical Commission has been the authoritative international standards body to bring about coordination and unification of national electrotechnical standards. It has had a large influence in increasing international understanding in electrical technology and in facilitating international trade.

Important as the technical and trade aspects of your activities are, what is more important still is the interchange of ideas that goes on among your membership, meeting in famous, beautiful, and busy cities in a dozen countries. This is cosmopolitanism in its best sense, the sense of not being restricted to a single sphere of thought. It means belonging to all the world.

This is an ideal toward which we all must strive. The several hundred foreign delegates who are here from your member countries, as well as the several hundred from the United States,

share a common interest in technical matters. But this does not blind them to the fact that exchange of information, agreement upon standards, the fostering of international trade, all depend upon the preservation of peace.

Without peace, ideas cannot thrive throughout the world. The exchange of ideas at this Golden Jubilee, both at formal sessions and between individual delegates and groups of delegates, is part of the process of peace. Thus, in the truest sense, because peace is its prime preoccupation, the United States Government congratulates the International Electrotechnical Commission on its Golden Jubilee.

The Government hopes and believes that when the IEC celebrates its Centennial, as I am confident it will, the meeting will be held in an intact world, where freedom has been preserved, with decades of peace accrued to the credit and the welfare of mankind.

Philippine Trade Delegation

Press release 495 dated September 8

Senator José P. Laurel, who has been appointed by Philippine President Raymon Magsaysay to head the Philippine delegation to consult with an American delegation concerning revision of the Philippine-United States Trade Agreement, is expected to arrive in San Francisco on September 9 and in Washington about September 13.

Accompanying Senator Laurel will be three other members of the Philippine delegation, Senator Gil J. Puyat, chairman of the Senate Finance Committee, Governor M. Cuaderno, governor of the Central Bank of the Philippines, and Congressman Diosdado Macapagal, together with members of the delegation's technical staff.

The Philippine Government last year requested reexamination and readjustment of the 1946 agreement on trade and related matters. President Eisenhower replied that the United States was ready to give sympathetic consideration to any specific proposals for revision which the Philippine Government might advance. On July 6 the White House announced the designation by Secretary Dulles of James M. Langley, New Hampshire publisher, as chairman of the United States delegation which will meet with the Philippine delegation to consider possible modification of the trade agreement.

A Positive Approach to the United Nations

by Thruston B. Morton
*Assistant Secretary for Congressional Relations*¹

I want to begin by apologizing to the distinguished Member of Congress from the 19th Texas District, my good friend George Mahon, for not quite believing him when he told me about your United Nations celebration here in Sudan. I just didn't think that any community in the world would be capable of putting on the kind of show I have seen here today.

You put it on. Just as advertised by Congressman Mahon. I can assure you I will never forget the impact of thousands of men, women, and children taking part in or watching an international festival down in Texas. It was magnificent, and I congratulate you.

First, of course, I congratulate you on the pageant itself, which for the third time has crowned with success the weeks and weeks of planning and hard work that you people contribute every year. And I congratulate you, too, on the way you have built up enthusiasm for miles around—as witness the great crowds I have seen everywhere today. All of this is a triumph of careful organization and ardent cooperation.

But there is something more. This isn't just a yearly pageant you put on down here, a matter of dressing windows and wearing costumes for a couple of days and then forgetting until it's time to get started on the next one. This isn't a rodeo, where a fellow can whoop things up if he feels like it and then sleep it off until the time comes around to tie on another 12 months later. It is something far more important than just having fun. As I see it, this pageant of yours is nothing less than an affirmation of something you believe in deeply, a yearly act of faith, an expression of confidence that grows from day to day.

Believe me, the United Nations needs such faith and support as you are giving. It needs your confidence now as never before. It needs the help of all the American people, the kind of help I have seen here today.

We hear complaints about how the United Nations has "failed." We hear threats of our withdrawal from it if this thing or that thing comes to pass. We hear demands that Congress refuse to appropriate money for our share of U. N. expenses if one nation or the other doesn't do exactly as we say. We hear crackpot suggestions from individuals on the lunatic fringe.

This noisy minority proclaims that the United Nations threatens to destroy United States sovereignty; that the U. N. Charter threatens to subvert our Constitution; that the United Nations threatens our freedom of action and the independence of our institutions. Some of these people say that the United Nations is a nest of Communist spies. Others say that Soviet Russia exercises complete control of the organization. Still others object to the United Nations because it costs too much.

I could go on with this list of nonsensical charges against the United Nations—and then demolish them, one by one. Fortunately, however, my audience this evening is fully informed about the United Nations and its accomplishments, and I am thus relieved of any obligation either to justify or defend it.

Cost of the U.N.

Instead, I can invite you to look at the United Nations as the vital, going organization you know it to be. I can invite you to look ahead with me and to reaffirm, once again, your and my full faith in the United Nations. For it is going ahead, as

¹ Address made before the Sudan Fall Festival at Sudan, Tex., on Sept. 11 (press release 500 dated Sept. 10).

I shall now make clear to you. But before giving you a line on the future, as I have had it mapped out for me by Henry Cabot Lodge, our representative to the United Nations, let me tell anyone who might not recall how much the United Nations costs us—and who might, very properly, like to have an accounting—that the United Nations, including all operations, costs every man, woman, and child in the United States less than 55 cents a year. That is a good figure to keep in mind. The next time an uninformed person argues that we can't afford the expense of the United Nations, just hand him 55 cents and tell him you'll pay his share for the next year. I've seen that little gesture work on a number of occasions. Or after you point out that 45 billions of dollars of our annual budget goes to pay for past wars and present defense, you might ask if he begrudges an expenditure of two-tenths of one percent of that amount to improve the chances for peace.

As against all this negativism, I think we should emphasize the positive side. We should place stress on what the United Nations was meant to be and what it has accomplished. We should lose no opportunity to point out that the organization's first purpose is to maintain international peace and security—to take effective collective measures to prevent and remove threats to the peace and to suppress acts of aggression. But we should also make clear that the underlying principle is one of voluntary action. The United Nations has no law-making or law-enforcing powers. It has no means of compelling a member to do anything. And I know of no responsible parties to the United Nations who propose that such powers should be given the organization.

And I believe that the positive approach which I am urging on you will be the more effective if we go about it realistically. We should take into account that when the United Nations was established the impression was somehow spread that international peace was thereby assured. In its extreme versions, this impression depicted the United Nations as some sort of mysterious and magical instrument that would of itself shape an equitable and a durable world peace. This was as tragically in error as the assumption that the Communist leopard had changed his spots—that the chemistry of Soviet imperialism had been so altered as to transform Russia into a peace-loving and cooperative ally.

We now know different. And furthermore, now that we have survived the shattering of the illusion of an easy and automatic peace, we are better geared to what will be required of us. We have achieved the sober realization that the United Nations is no more than the arena in which peace can be won. And that if we are to win it, there is plenty of hard work to do.

Accomplishments of the U.N.

To reach full effectiveness, this positive approach needs a solid underpinning. And we find that underpinning is what the organization has already accomplished—despite an unremitting Soviet effort to immobilize it. I am sure that many, if not all, of you are familiar with the achievements of the United Nations. Nevertheless, I want to run down the list briefly here. I think we can all stand a reminder that collectively the record is impressive and that individually these accomplishments have a significance which will be felt for years to come. Although we know that the world situation is explosive, and that fighting which started out as a small war could easily spread and become a big war, we tend to forget about the small wars, and the wars that didn't happen.

First, then, let us remind ourselves that the United Nations has helped get under control a number of small wars that could have set off the holocaust that we are struggling to prevent. This activity has been well described as putting out brush fires. To continue the figure, the United Nations responded when the alarm rang in Palestine, Indonesia, Kashmir, and Greece and extinguished the blaze. Furthermore, there is no way of telling how many fires of this kind never got started because of the United Nations. Take for example the presence of Soviet troops in northern Iran in 1946. That situation had a dangerous potential—until the Soviet troops were withdrawn in response to pressure from the United Nations.

In a very real sense, three new nations owe their existence to United Nations action. I refer to Israel, Indonesia, and Libya. I do not say that all is smooth and untroubled with regard to these three. Quite the contrary—many problems remain. But we have good reason to expect that the problems will be settled by exchanges of words rather than of bullets.

What of the United Nations performance in stopping Communist aggression in Korea? In some quarters that is brushed off as a stalemate. But that is far from the fact. In Korea, the principle of collective security met a supreme test. Seventeen nations joined hands to stop an aggression—and stopped it—without starting a world war. In the truce negotiations, we established another important principle—that Communist prisoners of war shall not be returned to communism against their will. No one can honestly deny that these are major achievements.

You may hear opponents of the United Nations dismiss it as a debating society which the Russians use as a sounding board for their propaganda. In the sense that it is a world forum, you perhaps might call it a debating society. And there is no question but that the Russians have tried to use it as an instrument of propaganda. But let's keep our eye on the facts.

As a forum, the United Nations has done yeoman service by focusing the eyes of the world on Soviet abuses and the aggressive character of Communist policy. And the Soviet attempt to use the organization as a sounding board has boomeranged. The United States, for example, has effectively defended itself against fraudulent Soviet charges such as those accusing us of waging bacteriological warfare. Ambassador Lodge makes it a policy never to let an important Soviet statement go unchallenged.

We have not been content to remain on the defensive. In the last session, we brought to the General Assembly a thoroughly documented case on the atrocities the Communists committed on United Nations prisoners of war in Korea. We are also presenting to the United Nations the details of the murderous and unprovoked attack made by Communist MIG's on a Navy patrol plane which was over the high seas. Public confrontation of the Communists with crimes such as these does real damage to their cause. And the United Nations provides the ideal setting for it.

If there were no other reasons—which there are—this advantage which the United Nations offers the free nations is sufficient to warrant our making every effort to keep the Soviet bloc in the organization. I believe that the United Nations has been a thorn in the Soviet side from the beginning. Ambassador Lodge has pointed out—as have other well-informed officials—that the Soviet Union is caught in a box. They can't con-

trol the United Nations. They can't break it up. And they don't dare quit. How foolish of us to talk of forcing them out. Why should we help them solve their problems?

Frankly, the question of Soviet membership in the United Nations is not the only item on which I find it extremely difficult to follow the reasoning of some United Nations critics. The same voices that are raised in the cause of forcing the Communists out also argue that if Communist China is admitted, the United States should withdraw. In my opinion, to do so would be folly. Assuming that we are beaten on this issue, does it make any sense to pull out and leave the field clear for the Communists?

I said "assuming that we are beaten." I want to make clear that I don't believe we will be beaten. Remember, the charter specifies that peace-loving nations are eligible for membership. The Assembly, by an overwhelming vote, formally labeled Red China an aggressor in Korea. Peiping has failed to clear its record. Instead, the aggressors have compounded their crimes with prisoner-of-war atrocities, with unprovoked attacks on American planes, and with aiding and abetting Communist expansion into Northern Viet-Nam.

The delegates to the United Nations are not fools nor are they dupes of the Communists. They are rational people and I am confident that they will respond to Red China's record—and rest assured we intend to see that it is presented in full detail—by refusing her admission to the United Nations, and by a good majority.

Constructive Activities of the U.N.

Now, when we talk about the positive approach to the United Nations, I believe we should give maximum emphasis to the many constructive activities in which it is engaged. Far too little is said of the progress made—of the striking achievements—of the United Nations technical assistance program. It seems to me that in this area of endeavor lies the best hope of a better life for many of the world's millions.

Individually, the technical assistance projects may seem small when measured against the great issues of the cold war. Collectively they comprise a dramatic demonstration of man's capacity to work out his own economic salvation through mutual aid and self-help. For example, a \$40

thousand expenditure to introduce hybrid seed in Europe added \$24 million to the value of the region's corn crop in a single year. India is using a \$7.5 million bank loan to reclaim land that will produce 500 thousand tons of wheat annually. Specific industries in Israel and India have been able to increase their labor productivity 200 percent by taking the advice of International Labor Organization experts.

In the important field of health, there have been great strides made. Campaigns run by the World Health Organization and the United Nations Children's Fund last year resulted in the vaccination of 8 million children against tuberculosis and another 20 million were protected against malaria. Cooperative action in Greece has almost freed the Greek people of malaria—a disease from which a substantial percentage of the country's population suffered as recently as 5 years ago. Institutes of tropical medicine particularly in Latin America are making progress toward the control of a number of tropical diseases that have, for centuries, plagued the inhabitants of warm climates.

Because of their humanitarian character, projects launched by technical assistance groups have a warm appeal. But, beyond this, these efforts have a very practical side. They are the alternative which the free world can offer to the appeal of communism. And they are, further, the stuff of which peace will be built because they dry up the wellsprings of unrest and war.

It is clear to us all that we must have peace. We are also well aware that a real peace which will endure has certain basic components. And if we give the matter thought we will realize that the establishment of the components must come first. The settlement of disputes by compromise and negotiation is an essential. So is a universal

recognition of the principles of international law and order. So is the realization that peoples will not willingly submit to slow starvation or acquiesce for long to a frustration of their legitimate aspirations.

For these and other components that could be mentioned, the United Nations provides an effective instrument, perhaps the only effective instrument presently available to us. It is necessary that we keep that fact ever before us. With this in view, it is then obvious that the United Nations has to work—and that it is up to us, and people like us elsewhere in the world, to make it work.

If experience shows us that the organization needs to be stronger, let us strengthen it. If it needs perfecting, let us improve it. But above all, let us approach this great task that lies before us—the building of a peace—with an abiding and unshakeable faith in our ability to reach our objective and in the United Nations as a means of getting there.

Visit of Malcolm MacDonald

Press release 505 dated September 10

His Excellency the Right Honorable Malcolm MacDonald, Commissioner General for the United Kingdom in Southeast Asia, will be visiting Canada on leave during the month of September. The Secretary of State has taken this opportunity to invite him and Mrs. MacDonald to visit Washington on October 7 for a few days before he returns to Southeast Asia. This visit gives the United States an opportunity to repay in part the hospitality extended by Mr. MacDonald to the many Americans, including the Vice President, who in recent years have visited Singapore, where Mr. MacDonald has his headquarters.

Foreign Economic Policy and the National Security

by Thorsten V. Kalijarvi

The basic aim of our foreign policy is to improve the security and well-being of the United States. This objective is generally accepted and understood. What is less widely appreciated is the fact that our international economic policies are a major instrument for achieving this objective. In fact, unless we can regain and step up the initiative in the foreign economic field, U.S. leadership in the free world is threatened.

There is a ready acceptance of the fact that our political and military arrangements with other countries, such as NATO, make a direct contribution to the advancement of U.S. security and well-being. It is more difficult, however, to explain why the Schuman plan or the European Payments Union should command active U.S. support. And when it comes to such questions as an increase in U.S. duties, or the imposition of quota restrictions, the connection with our broad foreign policy objectives seems tenuous indeed.

What, indeed, is the connection between the national security and our trade policy? Why should the individual American concern himself with so technical a subject and one seemingly so unrelated in any direct way to the effective conduct of our foreign affairs and the safeguarding of our security?

The answers lie in the basic nature of our present foreign policy, to the consideration of which I shall return in a moment.

Denmark as an Example of Our Problem

At the outset, it may be helpful to take one country as an example of how economic considerations are intertwined with political and security considerations. I have selected Denmark for that example because she is small in size and resources, and because our problems with Denmark are not of crisis proportions.

Denmark is a country of 4 million people with a remarkably high standard of living. She is an integral part of the Western defense system; occupies a strategic position between East and West; is a member of the United Nations, NATO, the Council of Europe, the Organization for European Economic Cooperation, and the European Payments Union. From a strategic and security standpoint, she is of real significance to us. If Denmark is to be able to contribute effectively to the mutual defense effort of the free world, she must be economically strong.

Denmark's economy is primarily agricultural, although since the war she has been striving to increase diversification and as a result her industrial production has increased about 100 percent since 1945. The Danish balance-of-payments position, until recently, has been close to equilibrium. This was achieved, in large part, through the maintenance of restrictions on imports.

The main Danish problem now is that of achieving a level of exports sufficient to pay for needed increased imports. Both production and the standard of living in Denmark are in a major measure dependent upon foreign trade, which is high in comparison with most other countries. Over one-third of Denmark's national production is traded for goods and services from abroad. More than 60 percent of the total exports are agricultural products such as butter, cheese, eggs, bacon, meat, and canned goods. Almost all raw materials are imported from abroad. It is therefore clear that in order to maintain a high level of economic activity Denmark must realize substantial earnings through exports. Since World War II caused a shift in Danish trading patterns, Danish dependence on U. S. markets has increased. What we do has a great impact on the whole Danish economy.

The amount of butter coming into this country from Denmark before World War II was a tiny part of our total butter consumption, but it was of great significance to the Danish balance of payments. From 1942 to the present we have maintained a virtual embargo on Danish butter.

As for the blue cheese industry, we encouraged its expansion in order that Denmark might be able to earn the dollars needed to buy essential U. S. goods. Technical assistance under the Marshall plan was given to improve marketing and packaging techniques, although the cost of developing this industry came from Danish investment. The imposition of a quota on blue cheese under section 104 of the Defense Production Act not only stunted the development of this industry but also made potential exporters of other commodities apprehensive about investing capital in order to produce goods for the U. S. market.

Set against this was the fact that Denmark, even with her own strong agricultural production, bought more than \$5 million worth of agricultural products from the United States in 1952. Indeed, in overall trade we sold Denmark twice as much in 1952 as we bought from her.

It will be noted that I have carefully avoided discussing our own domestic considerations which produced the restrictive measures. I do not for a moment wish to discount them; but my present purpose is to emphasize the security and political aspects. Thus I must conclude that in this instance our actions economically had not been considered in their political and security perspectives.

We cannot ignore the consequences of our economic actions, because we want Denmark to be a cooperative and friendly ally in the free world's security efforts. We want her to continue to cooperate in our East-West trade control system, to give one example.

Denmark has been under pressure recently to enter into a trade agreement with the U. S. S. R. to construct additional tankers for the Soviets in return for vital raw materials. The Danes have resisted this Soviet attempt to crack the West's security controls.

Another recent issue with Denmark has been the request for permission for Scandinavian airlines to fly the great circle route to the United States. Here again the question of economics and politics is very much intertwined. Scandinavian countries have a vital concern in the establishment of such a route, but our domestic airlines have opposed it.

Recently I had the honor of signing papers with the Scandinavian representatives in Washington authorizing the establishment of such an airline.¹ However, our Government took this step only after a great deal of soul-searching.

Danish Cooperation

Our economic, political, and security problems with Denmark can be summarized as follows: Politically and strategically the Danes have in the past pursued a policy of neutrality, in line with Scandinavian tradition. Danish participation in NATO, the development of a Danish defense force, and Danish cooperation in Greenland are a definite abandonment of that policy. Denmark has proved herself a loyal member of the East-West trade control system even at the expense of trade that is vital and important to her. The Danish Government now faces a difficult economic situation, as a result of which offers of trade with Soviet-bloc countries seem all the more attractive. These offers become even more enticing when the West shows signs of increased protectionism. High tariffs, imposition of quantitative restrictions, and restrictive state trading are creating great hardships for Denmark, which is a very efficient producer.

It is therefore readily apparent why, in our own security interest, we must weigh our economic actions carefully and consider their impact on our political and security objectives. Insofar as Denmark is concerned, we must keep uppermost in our minds that we wish to have Denmark's continued cooperation in the free world's defense effort and that any restrictive economic action which threatens that objective should be avoided. The same interrelationship of our economic actions with our political and defense objectives extends to all areas of the free world.

General Policies

United States policy is predicated on the idea that we strengthen U.S. security by solidifying our ties with other nations of the free world. Accordingly, we have built a web of relations which, taken together, amount to an alliance among virtually all free-world nations—NATO, ANZUS, OAS, our ties with Japan and with the Philippines, and most recently the Southeast Asia Collective Defense Treaty. But these ties are not purely

¹ BULLETIN of Aug. 16, 1954, p. 251.

military or political. An alliance without economic underpinnings would be inadequate and unreliable.

Success in modern warfare depends upon the basic economic strength of the nations involved. A modern war cannot be fought without access to highly complex and expensive materials and equipment and without the means to support the civilian economy at the same time. A country can maximize its ability to contribute to a common military cause if it maintains a high level of production through the most efficient use of its human and material resources. But efficiency is reduced when each country tries to build on its own resources alone. Whenever a country insists on producing things which it can purchase more cheaply abroad, it reduces the total quantity of goods available to it as well as to its trading partners.

The amazing productivity of the American economy is in considerable measure a reflection of the fact that we have in the United States a vast common market, virtually free from internal restrictions on trade and the movement of capital. Our efforts in the international field to promote a freer system of trade and payments and a freer flow of capital are aimed fundamentally at achieving a more efficient international use of resources and thereby maximizing the economic and military strength of the free world.

Concerted efforts are also being made by the U.S.S.R. to achieve a maximum military potential by integrating the economies of the countries within the Soviet bloc. Some measure of success has been achieved through a centrally directed allocation and use of resources for this purpose. The Soviet drive underlines the importance of removing those restrictions and impediments which stand in the way of the most efficient use of resources in the free world.

It is against this background that our support of the International Monetary Fund and the General Agreement on Tariffs and Trade takes on added significance. These are the instruments through which we try jointly with other countries to establish a world trading system that will provide a real basis for high standards of living and a maximum contribution to military security. There may be nothing dramatic about technicians from 34 countries spending months of laborious work negotiating an agreement involving 8,800 tariff concessions. And it may take several years or longer before the full economic effects of the

action are realized. But the fact that the results may be imperceptible from day to day does not make them less important.

Our alliances with other countries of the free world consist of far more than the provisions of formal agreements to which we may jointly be party. The formal undertakings are in fact largely reflections of the sense of mutuality of interest shared by the peoples of the countries involved. To the extent that this feeling is shaken by economic fears or disputes, the military alliance can be weakened or destroyed.

Fears Caused by U.S. Actions

Many examples of such fears or disputes could be cited. Foreign governments and representatives are still concerned with the damage that might be expected in their countries from a recession in the United States. Demands to curb imports of petroleum raise doubts in the minds of Venezuelans as to whether we really care about the welfare of their country, which is so closely tied to oil exports to the United States. Relatively small actions, such as the failure of a low-bidding English concern to obtain a government contract for the Chief Joseph Dam, have caused tremendous ill feeling abroad. Such actions and the retaliations to which they give rise create an atmosphere inimical to the building up of political and ideological loyalties among peoples. And without strong loyalties political alliances remain fragile at best.

In our efforts to prevent actions harmful to the free-world security system, we face the practical dilemma posed by the conflict between the special and often short-run interest of particular domestic economic groups and the more general longer-run national need for free-world strength and solidarity. Much of the time and energy of the people concerned with foreign economic affairs is devoted to assuring that in resolving these conflicts the longer-run national interest is adequately taken into account.

Need To Inspire Hope Abroad

Increased Soviet efforts at subversion are now directed toward the people of underdeveloped countries. The Communist propaganda appeal runs largely in terms of the "hopelessness" of the present economic situation of the masses in these

areas and their "subservience" to the economic, political, and strategic needs of the United States. Since many of these areas have never known political democracy in our sense, a counterappeal in terms of the advantages of Western democracy is apt to seem abstract and not too meaningful. What is needed is steady economic improvement and the fostering of a sense of hope for the future.

To be effective, a program for the underdeveloped areas must appeal to these basic aspirations. The instruments available to the United States consist of the technical assistance program, a modest amount of economic aid (mostly in Asia), the temporary availability of agricultural surpluses, the lending activities of the Export-Import Bank, and our participation in the International Bank. Although their importance should not be minimized, these various forms of public assistance, taken together, contribute only a small portion of the resources that underdeveloped countries need for economic growth. An additional contribution is, of course, made by U.S. private capital but, outside of Latin America and the oil countries of the Middle East, private U.S. investment in underdeveloped areas has not been substantial. Moreover, private capital can be influenced by U.S. action only to a minor extent. It has to be attracted by the foreign countries themselves.

A basic problem we face in underdeveloped countries is that economic improvement depends in large part on policies pursued by the local governments. Proper policies on their part can greatly increase the effectiveness of our contribution. Although we recognize and respect the diversity of values and institutions in other countries, a substantial inflow of private capital depends upon the adoption of policies conducive to local investment and initiative and the establishment of a rational system of priorities in development programs. It is necessary to encourage appropriate monetary, fiscal, and other policies in order to help trigger off a development process in economically stagnant countries and to cope with the danger of runaway inflation in economies undergoing rapid development. These actions, of course, are basically for other countries to adopt. When we encourage appropriate actions along this line, we must at the same time avoid even the appearance of "intervention."

We aim to improve our security not only by building the strength and cohesiveness of the free

world but also by retarding the buildup of Soviet economic power internally and the extension of Soviet influence beyond the Iron Curtain. We seek to accomplish these objectives through a cooperative system of strategic trade controls and through specific efforts to prevent the growth of a dangerous reliance on trade with the Soviet bloc on the part of free-world countries.

The ability of other countries to refrain from selling strategic goods to the Soviet bloc depends in good measure upon their ability to market such goods elsewhere in the free world. Similarly, the avoidance of undue general reliance on Soviet sources of raw materials and on Soviet markets depends on the extent to which other channels of trade remain open.

Some Specific Area Policies

The achievement of many of our specific foreign policy objectives for particular areas can be advanced through programs primarily of an economic nature.

Western Europe

In Western Europe, for example, the United States has been fostering closer political and economic integration as a means of more fully developing the strength of the area commensurate with the richness of its human and material resources. In addition, the United States realizes that the most practical way to permit Germany to assume her role in the common defense without alienating France and Benelux is to merge Germany into a large complex of Western European nations.

The major concrete step already taken in this direction has been the establishment of the Coal and Steel Community.² In this organization Germany, France, Italy, and Benelux have each relinquished to a supranational body powers over basic industries such as have never before been yielded by sovereign governments. Without affirmative U. S. support from the beginning, it is unlikely that this unprecedented step could have been taken. At a critical time, when the fate of the European Defense Community was hanging in the balance, the United States sought to strengthen the Csc by providing a substantial loan to its High Authority as evidence of our faith in the European integration movement.³ The link

² For an article on the Community, see *ibid.*, June 8, 1953, p. 799.

³ *Ibid.*, May 3, 1954, p. 671.

between economic action and political objective is direct and clear.

For Western Europe as a whole the United States has encouraged closer economic ties through the elimination of national trade and payments barriers. Under the OEEC trade liberalization program, supported by the credit and clearing arrangements of the European Payments Union, most nations of Western Europe have gone a long way toward eliminating quantitative barriers against each other. But the success of further measures in the same direction depends heavily on the example provided by the United States.

Asia

In the Far East our security plans include the development of Japan as an outpost of strength in the free world's efforts to stem Soviet aggression in that area. To achieve this objective, Japan must assume the major responsibility for her own defense and become a defense base for the area as a whole. These military objectives cannot be achieved, however, unless the Japanese economic position markedly improves.

With an arable land area less than that of California, Japan must support a population of 86 million. Under these circumstances, Japan is dependent on international trade. She must export in order to earn the currency she needs for her vital food, raw material, and other imports. But today Japan's trade is seriously out of balance.

The Japanese trade deficit in 1953 was over a billion dollars. Much of this deficit has been made up in recent years through our special expenditures in Japan related to the war in Korea. With the end of the fighting in Korea, the slack will have to be made up either through subsidy by the U.S. taxpayer or through the development of adequate trade within the free world. Obviously, the solution should be sought in increasing trade with the United States and other countries of the free world.

In Southeast Asia we have a military objective which can be attained only if certain basic economic adjustments take place. Through our foreign economic policy we have been seeking to bring about the necessary adjustments.

We have assisted in the economic development of the region, the ultimate results of which should raise standards of living and increase the market for products of the free world, including Japan.

Steps are now being examined to aid in the modernization of Japanese productive facilities through the extension to that country of a program of industrial technical assistance.

Of major significance have been our efforts to influence the degree of access offered to Japanese goods both in the United States and in other free nations. In the process we have encountered opposition from domestic interests (e. g. the West Coast tuna industry) and a deep fear of a resurgent Japan on the part of Australia and other countries in the area. Nevertheless, some limited success was achieved last year under U.S. pressure when the contracting parties to the GATT permitted Japan to associate with the group and allowed her to acquire some of the rights of a contracting party.⁴ Further progress can be made through concrete steps on the part of the United States to lower its own tariffs on Japanese goods and through our making concessions to third countries which in turn will make it possible for them to open up their markets to Japanese trade. The President with the knowledge of Congress has taken the initiative in bringing this about.

Latin America

In Latin America the United States has promoted over the years a program of hemispheric solidarity. Our purpose has been to have friendly republics with strong economies south of our border. Such a situation would not only be beneficial to the economies of the hemisphere but would also help to gain support for our general international policies. In addition, we have sought to insure profitable opportunities for trade and investment in Latin America.

The Tenth Inter-American Conference at Caracas serves as an excellent example of the relationship between our total foreign policy and our foreign economic policy. Our principal objective at Caracas was to obtain the concrete expression of hemispheric solidarity that was embodied in the anti-Communist resolution. It was made perfectly clear to us, however, that the willingness of some of the Latin American countries to follow our lead in political matters was directly dependent upon concrete evidence of U.S. willingness to contribute more fully to the solution of the major economic problems confronting the area. It was in

⁴For a statement by Assistant Secretary Waugh and a summary of the results of the session, see *ibid.*, Oct. 12, 1953, p. 495, and Nov. 16, 1953, p. 677.

recognition of this sentiment that Secretary Dulles devoted almost two-thirds of his speech in the plenary to economic matters and in addition made a personal appearance before the Economic Committee.⁵ United States acceptance of the suggestion of a special economic conference to be held later this year at Rio de Janeiro was also widely interpreted as an acknowledgment of U.S. interest in the problems of trade and economic development which are of central concern in Latin America. Our preparations for the Rio Conference have provided us with the occasion for a searching reexamination of our economic policy toward Latin America.

U.S. Economic Leadership

The United States occupies a position of economic leadership regardless of its wishes. The question is whether it uses this position for good or for harm—that is, to build or to undermine the strength and cohesiveness of the free world. It hardly seems possible that U.S. economic policies could operate merely as a neutral force.

The predominance of the United States in the world economy is well known. With only 6 percent of the world's population, we account for well over 40 percent of the world's output of goods and services. We generate as much as two-thirds or more of the world's savings. Our foreign trade amounts to between 15 and 20 percent of the world total. We are the largest single supplier to, and the largest single market for, a large number of individual foreign countries. Accordingly, the course of economic conditions in the United States and the policies we pursue in the international economic field assume tremendous importance in terms of our relations with our allies.

In 1949 we had a slight recession here—a drop in our national income of 3.4 percent. We hardly noticed it. But during this mild adjustment Western Europe's exports to the United States dropped almost 22 percent. Chile's sales to us dropped 36 percent and Australia's 34 percent, partly as a result of the U.S. economic situation. Changes of this degree may rock the economies of friendly countries, directly affect the jobs and well-being of their people, and often create threats to political stability.

It is not easy for Americans to appreciate this great sensitivity of other countries to even small

⁵ *Ibid.*, Mar. 15, 1954, p. 379, and Mar. 22, 1954, p. 426.

changes in economic activity in the United States. Although we ourselves have suffered severe declines, they have not in our lifetime been induced by economic forces stemming primarily from abroad. The United States is relatively invulnerable to economic shocks originating in foreign countries. Our foreign trade and investments, though of major importance in certain particular lines, are in the aggregate such a small portion of our tremendous national income that the United States is in a position to withstand external shocks with only minor disturbance. This relative invulnerability to changes from abroad is a reflection of the great size and diversity of the American economy and of the high degree of resiliency with which our free enterprise and free market system react to those changes which do occur.

In most other countries, the economic well-being of the population is much more heavily dependent on direct earnings from international trade and is therefore affected to a much greater degree by changes both in the physical volume of trade and in the prices of internationally traded goods.

This dependence is dramatic in the case of many underdeveloped countries whose foreign exchange earnings are highly concentrated in a few primary materials. For example, 60 percent of Brazil's income from exports is derived from coffee; in Chile, 51 percent is derived from copper; Colombia, 78 percent from coffee; Cuba, 82 percent from sugar; Venezuela, 97 percent from petroleum; Egypt, 89 percent from cotton; Indonesia, 95 percent from tin and rubber; Ceylon, 78 percent from tea and rubber; Iraq, 80 percent from petroleum; Pakistan, 87 percent from cotton and jute.

Access to foreign markets is also far more vital for some highly developed countries than it is for the United States. Though large in absolute terms, U.S. exports constitute only about 5 percent of the national income. The United Kingdom's exports amount to 21 percent of the national income; Canada's, 26 percent; Denmark's, 27 percent; the Netherlands', 46 percent; New Zealand's, 37 percent; Australia's, 21 percent.

In the light of the foregoing we can understand why it is that an American discussion of restrictions on wool imports is front-page news in Australia, although it is barely known beyond wool circles in the United States. A U.S. decision to subsidize the disposal of dairy products abroad

is important in this country primarily to our dairy interests. It becomes a matter of the greatest moment, however, to the entire population of a country such as New Zealand, one-quarter of whose exports consists of dairy products.

Psychological and Propaganda Factors

It is not only the actual or potential consequences of U.S. economic policies which cause them to assume such magnified importance abroad in terms of our political and security objectives. Certain psychological realities must also be taken into account. Because the United States is so big and so strong, other nations expect that we will act more in terms of the common interest of the free world than in terms of a narrow conception of U.S. self-interest. When countries other than the United States take action which in the short-run furthers their own interests at the expense of their neighbors, it may be quickly forgotten. The same action on our part is regarded as a breach of the standards of responsibility which nations associate with our position of leadership.

Because friendly countries are conscious of the tremendous power of the United States for economic good and economic harm, they are especially sensitive about the importance of prior consultation when we contemplate decisions that can affect their welfare.

United States policies which threaten or damage the interests of our allies are not only in themselves destructive of free-world unity. They constitute propaganda weapons in the hands of the Communists in their program of dividing and conquering the world.

Stalin, before his death, sketched in rough outline the way the Communists hoped that the disunity of the free world could be achieved. He saw the crisis in terms of inevitable trade conflicts between the nations of the free world. True, Stalin is dead, and the music coming from Moscow is sometimes soft and sweet. But recent moves of the Kremlin clearly indicate that it intends to take full advantage of weaknesses and divisions in the economic structure of the free world.

Malenkov in his report to the 19th Party Congress on October 5, 1952, stated:

American imperialism is acting today not only as an international exploiter and enslaver of nations, but also as a force that is disrupting the economies of the other

capitalist countries. . . . It is wrecking the historically established multilateral economic ties between the capitalist countries and replacing them by unilateral ties between these countries and the U.S. Boosting their exports through the most unscrupulous dumping while at the same time closing their home market to foreign goods . . . , the economic policy pursued by American imperialists is bound to aggravate the antagonisms between the U.S. and other capitalist countries.

The leaders of the Soviet Union are apparently proceeding on the theory that economics is the Achilles heel of the West.

Soviet Tactics

A few illustrations drawn from the trade policy field will show how the Soviet world seeks to exploit recent U. S. actions. When steps were initiated in the United States to restrict imports of Australian wool, the Soviet Union for the first time in 2 years entered upon a program of buying wool in the Australian market. When the Department of Defense turned down the low British bid for the sale of generators and transformers for the Chief Joseph Dam, the Soviet Union, Bulgaria, Poland, and Rumania, at a meeting of the Economic Commission for Europe, offered to buy electrical equipment, including transformers and generators, from the United Kingdom. When, in the spring of 1953, imports into the United States of dried whole milk were embargoed and a number of dairy products were placed under quota, representatives of two Soviet-bloc countries immediately offered to buy Swedish dried whole milk. When a countervailing duty was imposed on Uruguayan wool tops and pressure was exerted to curb other imports from Latin America, the Soviet Union pressed for the completion of a trade treaty with Argentina. When the United States recently increased the tariff on Swiss watches, Communist newspapers immediately suggested that the Swiss should wake up to the fact that they cannot depend on the United States and should seek markets in the East.

This partial list of the many opportunities seized upon by Communist propaganda makes clear the Soviet intention to use economics to divide the free world in order to conquer it by peaceful means if possible. Victories on the battlefields would be hollow indeed if we were to lose the struggle in which we are now engaged on the economic front. Survival of the free world may depend upon the way in which we use our position of economic leadership.

The Demands of Economic Leadership

It is easier to point out the pitfalls to be avoided than it is to formulate an affirmative and constructive foreign economic policy commensurate with our position in the free world. There are, however, five essential ingredients in such a policy.

(1) *The United States must maintain a high level of economic activity at home, not only for the domestic welfare but equally because of the effects of a decline in U. S. economic activity on the well-being of friendly countries.*

(2) *The United States should discuss with friendly foreign governments in advance, and in a spirit of genuine consultation, any contemplated U. S. actions significantly affecting their economic well-being.*

(3) *The United States should consider courses of action in terms of the national interest rather than of the good of a single region or industry.*

(4) *The United States should adopt a long-run view of what is in the national and free-world common interest, showing a willingness to take constructive economic action even in the absence of imminent crises.* The massive relief and economic aid programs of recent years bear testimony to the ability of the United States to respond quickly and effectively to situations of crisis. Now that these programs are tapering off, our position in the free world will be tested by our initiative and steadfastness in pursuing the same goal of strengthening the free world through measures which will generally be less dramatic and more conventional. Our policies looking toward freer trade, multilateral convertibility, and economic development should be strengthened for the long pull.

(5) *The United States has an affirmative interest in the economic well-being of the free world and should assert it as something which is good in itself and not merely as a defense against communism.* Even if there were no Communist threat, it would be in our interest to promote economic development in underdeveloped areas and raise the general level of production and trade in the world. The worst mistake we can make in this connection would be to link our constructive economic programs so directly and obviously to our military objectives that we raise doubts in the minds of free-world countries as to whether we are really interested in economic welfare as something which is good in itself.

Our conception of the proper role of government in economic affairs is much more narrow than that of most other countries. In peacetime we tend to think primarily in terms of private action rather than in terms of governmental capabilities. For us the major normal function of government in the economic sphere is to provide an environment in which private enterprise can flourish free from artificial restraints. This basic creed we carry over into our economic relations with other countries. Our principal specific objectives relate to the removal of artificial restraints on the movement of goods, services, and capital, whether publicly or privately imposed. We seek to reduce tariffs, eliminate quotas, get rid of cartels, do away with exchange restrictions, and remove restraints on foreign investment. We feel that the Government should interfere as little as possible with the free market but should act as the promoter and guardian of conditions under which the market can operate most effectively.

Our Concept Not Always Understood

This conception of the role of government is not shared by many other countries of the free world. To these countries, therefore, there appears to be a contradiction between our vast responsibilities as leader of the free world and what seems like the absence of a bold, positive, and constructive program except in time of emergency. This difference in basic premises as to the function of government gives rise to a great deal of misunderstanding and disappointment abroad in regard to our economic policies.

Two examples will serve to illustrate the problem. Raw-material producing countries expect us, as the largest consumers of raw materials, to take affirmative action to stabilize the markets for their products. In reply we have pointed out that attempts to interfere with the free market in domestic agriculture have got us into major difficulties, and that the most constructive contribution toward greater stability which we can make would be to avoid procurement practices which disturb world prices and to temper the fluctuations in our own economy. Similarly, some underdeveloped countries expect the United States itself to assume a major financial obligation for economic development. Our position has been, however, that private capital must provide the main source of foreign investment; except for special situations, the

direct U.S. contribution should be limited to technical assistance and a limited amount of public lending. In many foreign countries, particularly in the underdeveloped areas, these policies give rise to a feeling that the United States has not measured up to its responsibilities.

A major task for U. S. foreign economic policy is to get across to other countries an understanding of our conception of the role of government in economic affairs.

At stake are not merely our economic objectives. Our political and security objectives are also involved, since our defenses are based on a free-world alliance. If this alliance is to be strong enough to stem Communist pressure, it must be built on a solid foundation of strong, independent nations acting together. This development will

not occur by itself; it requires cooperative action.

President Eisenhower has stated in substance that without a sound economic foundation our cooperative political and military effort in the free world is built on sand. He said in his March 30 message to Congress: "If we fail in our trade policy, we may fail in all. Our domestic employment, our standard of living, our security, and the solidarity of the free world—all are involved."

We cannot afford to gamble. Too much is at stake. We must make our trade policy succeed.

• *Mr. Kalijarvi, author of the above article, is Deputy Assistant Secretary for Economic Affairs. His article is based on an address made on August 11 before the Georgetown University Air Force ROTC, Washington, D. C.*

Unprovoked Attacks by Soviet Aircraft

*Statement by Henry Cabot Lodge, Jr.
U.S. Representative to the United Nations¹*

I have been instructed by the United States Government to bring to the attention of the Security Council a problem which has caused the United States the greatest concern and which, if it were allowed to go unchallenged, might endanger the maintenance of international peace and security.

Contrary to what the Soviet representative has just told you, here are the facts:

On September 4, 1954, at about 1818 local time, a United States Navy aircraft type P2V was attacked without warning and destroyed by two Soviet aircraft of the MIG type. Early information as to the exact location of the attack which was communicated to the Soviet Government by the United States Government in its note of September 5² was in error. This error was corrected upon receipt of later and more complete information. This new information showed that the attack took place over the high seas at a point

42 degrees 15 north latitude and 134 degrees 24 east longitude. The point to be emphasized is that at no time did the American aircraft approach closer than 43 miles to the Siberian coast. This point was never in dispute in any of the reports or the communications of the United States Government. There can be no doubt about the position at which this attack took place.

A second point to be stressed, Mr. President, is the peaceful nature of the mission of the aircraft. This aircraft took off from Atsugi Airfield near Tokyo, Japan, on a routine daylight flight over the Sea of Japan at 1354 local time on September 4. This flight is made daily for weather reports and anti-submarine surveillance by aircraft of the United States Navy. Such operations, involving the defense of Japan, are conducted pursuant to the security treaty with that country dated April 28, 1952. These flights provide necessary data for weather forecasting in the Far East and are concerned with the movements of surface ships, submarines, and aircraft into the western approaches of Japan.

¹ Made in the Security Council on Sept. 10 (US/UN press release 1953).

² BULLETIN of Sept. 13, 1954, p. 364.

The circumstances of the attack by the Soviet aircraft give good indication of the real nature of the attack. The first indication which the crew of the United States aircraft received that an attack was in progress was the sighting of a plane diving out of the sun at the United States aircraft. The first MIG scored no hits. The second MIG, likewise, dived out of the sun at the United States aircraft. It scored approximately five hits in the left wing causing the United States aircraft to commence leaking gasoline. The first MIG then made a third run but scored no hits. At that time the MIGs departed in the direction of the Siberian coast.

After their departure the United States aircraft began to lose altitude rapidly. It caught fire and fell into the sea. One of the officers of the aircraft was trapped in the sinking fuselage and now can only be presumed to have lost his life.

The first reports of this attack indicated that the United States aircraft had at no time fired at the attacker. Subsequent information, however, showed this statement to be in error. The United States aircraft, however, did not fire upon the Soviet aircraft until the second attack was made on it. And the Soviet contention which you have heard this morning that we opened fire is one which no one familiar with aviation will accept. I am not an aviator myself, but competent aviators have told me, as I am sure they will tell you, Mr. President, that any aviator would know that it was suicide for a Neptune to open fire on two modern jet planes. It would only be done as a desperate last resort. So our aircraft did not open fire upon Soviet aircraft until the second attack was made upon it. On the third attack the United States aircraft did not return the fire. This point, which deserves special emphasis, Mr. President, can not be disproved; nor can it be hidden by propaganda.

No Warning of Attack

The central point is that this attack in the international air space over the high seas took place without warning; no attempt was made by the attacking Soviet aircraft to determine the mission or the identification of the United States aircraft before firing. No challenging signals were made visually or by radio.

The United States Government considers this

unprovoked attack in the air space over the high seas to be a wanton violation of the obligations undertaken by the Soviet Union when it adhered to the Charter of the United Nations. In its adherence to that charter, the Soviet Union promised not to resort to the use of force in any manner incompatible with the purposes of the United Nations. We all know and understand this cardinal principle of the United Nations Charter, and yet today the United States has the duty of calling your attention to this violation, which has led not only to the destruction of American lives and property but has also created more tension in a world which wants peace, in a world trying to check the very forces of aggression that threaten to destroy us all. The seriousness of this incident is clear.

The gravity of the situation caused by this attack is compounded by the fact that this is not the first time such sudden and unprovoked attacks have been made by Soviet aircraft. A whole series of incidents can be recounted wherein lives and property have been lost as a result of such wanton attacks by Soviet aircraft. Let me recount some of these incidents:

On April 8, 1950, an unarmed United States aircraft was shot down by Soviet aircraft in the Baltic Sea. In this attack ten American lives were lost.

On November 6, 1951, an American weather aircraft was shot down by a Soviet aircraft in the Sea of Japan with loss of ten lives.

On November 19, 1951, a Soviet fighter forced an unarmed American plane down onto a Hungarian airfield. The four-man crew of this aircraft was held for ransom.³

On October 7, 1952, an American B-29 was shot down near Hokkaido, the northernmost island of Japan. Eight lives were lost.

On March 15, 1953, an American aircraft was attacked without warning, while enroute from Alaska to Japan, with no loss of life; the attacking Soviet planes were beaten off.⁴

On July 29, 1953, an American B-50, on a peaceful mission over the Sea of Japan, was shot down without warning; 16 members of that crew are

³ For notes on this case, see *ibid.*, Dec. 22, 1952, p. 981; Jan. 12, 1953, p. 51; Feb. 16, 1953, p. 258; and Apr. 6, 1953, p. 496.

⁴ For exchange of notes, see *ibid.*, Apr. 20, 1953, p. 577.

still missing.⁵ The co-pilot was rescued and told the details of the ruthless attack by the Soviet aircraft.

Mr. President, these details are presented not merely to emphasize the needless and tragic loss of American lives or of American property which resulted from these attacks. It is the pattern of unprovoked attacks which is of greatest importance. These Soviet actions show a continuing disregard for the generally accepted standards of international conduct. This is very disturbing to the American Government and to the American people.

Let me say here in this place that the United States is not the only nation to be victimized by such a hostile action. In recent times Soviet aircraft have attacked aircraft of Sweden, Great Britain, France, and Belgium.

These cases add emphasis to the evidence already presented. A common danger faces all of us if these attacks by Soviet aircraft are to be allowed to go unchallenged.

U.S. Adherence to Charter Principles

The United States Government has not remained inactive in the face of the threat presented to its own security and to the peace of the world through continuation of this long series of attacks on peaceful aircraft by the Soviet Union. But the United States, in meeting this situation, has been faithful to the principles of the charter which require all members to seek peaceful settlement of controversies. This principle is consistent with the deep-seated American conviction that international differences, including differences that involve our own national interests, must be disposed of through procedures of peaceful settlement in the interest of peace and justice.

The United States has consistently followed the procedures set forth so wisely by the founders of this organization for the solution of disputes. In each case of an unprovoked attack by Soviet aircraft, the United States has sought to bring about a peaceful settlement through diplomatic negotiation. In each case an energetic protest has been made to the Soviet Government. In each case assurances have been sought that there would be no repetition of these aggressive acts. In each case,

therefore, the United States Government has put the highest value on the need to preserve the peace.

On the other side, in each case the course of the Soviet Union has been to use highly inaccurate versions of the incidents and to refuse cooperation in any efforts for settlement.

The United States Government will not be goaded into a disregard for its obligations. In conformity with the wise provisions of chapter 6 of the Charter of the United Nations, it has sought peaceful remedies for the wrongs done to it by the Soviet Union. We have long felt that the correct forum for the solution of such problems is the International Court of Justice, where such cases can be considered on their merits. The United States Government realizes that the judicial process followed by the Court offers the best means of resolving cases of this type.

In pressing our diplomatic claims arising out of these airplane incidents, we have had in mind ultimate recourse to the International Court for a just settlement. But only 4 months ago the United States Government proposed to the Soviet Government that the issues involved in the case of the United States aircraft forced down in Hungary be submitted to the International Court of Justice for adjudication. Its request was categorically refused by the Soviet Government.

In light, therefore, of the failure of the Soviet Government to respond to this reasonable proposal, we believe the recent attack on a United States aircraft in the Far East makes it essential to lay this problem before the Security Council.

We have not proposed an unreasonable course in these cases of Soviet attacks on our aircraft. What we have asked and continue to ask is that the Soviet Government negotiate in good faith on a bilateral basis for a settlement of the claims presented. We have asked further that, if a settlement cannot be reached, the Soviet Government consent to impartial adjudication of the issues by the International Court of Justice. This is exactly what the United States itself is prepared to do in the case of similar claims which the Soviet Union might present. This we are prepared to do even though we may consider the claims put forward to be completely without foundation. For example, the Soviet Government has pressed claims with regard to the loss of a Soviet transport in Korea during the recent hostilities there. Although Soviet claims in this matter

⁵ For exchange of notes, see *ibid.*, Aug. 10, 1953, p. 179, and Aug. 17, 1953, p. 206.

have been refuted by a careful investigation of the facts, we are likewise prepared to see this issue subjected to international adjudication.

Mr. President, the United States Government will not falter in its search for peaceful means of solving such problems as the one presented here today to this Council. The United States will continue to consult with all peace-loving members of the family of nations in seeking methods for the preservation of peace. The United States Government places great importance on the role of this body in solution of disputes which might

lead to the further disruption of international peace and security.

The United States considers that discussion of this issue in this organ of the United Nations should lead to a speedier and more equitable solution of the case at hand. It should be a powerful factor in focusing world opinion on the problem.

The United States is confident that the discussion here may contribute materially to prevent repetition of these incidents.

These are the purposes of this appeal by the United States to this Council.

Maintaining and Strengthening the U.N. Collective Security System

REPORT OF THE COLLECTIVE MEASURES COMMITTEE

U.N. doc. A/2713, S/3283, dated August 30

Introduction

The Collective Measures Committee has the honour to submit herewith its third report¹ to the Security Council and to the General Assembly.

1. The Committee was established by General Assembly resolution 377 A (V) of 3 November 1950,² and its work was continued by resolution 503 A (VI) of 12 January 1952.³

2. The terms of reference of the Committee during the present period of its activities are set out in General Assembly resolution 703 (VII) of 17 March 1953,⁴ as follows:

2. *Requests* the Collective Measures Committee to continue its work until the ninth session of the General Assembly, as directed in paragraph 4 below, for the maintenance and strengthening of the United Nations collective security system;

3. . . .

¹ For the first report, see *Official Records of the General Assembly, sixth session, Supplement No. 13*, doc. A/1891; for the second, see *ibid.*, *seventh session, Supplement No. 17*, doc. A/2215.

[For articles reviewing the first and second reports, see *BULLETIN* of Nov. 12, 1951, p. 771, and Nov. 3, 1952, p. 717.]

² The text of resolution 377 A (V) is set out as annex 1 to the first report, and as annex A to the second report.

³ The text of resolution 503 A (VI) is set out as annex B to the second report.

⁴ Resolution 703 (VII) is set out as annex 1 to the present report. [Annexes not printed here.]

4. *Directs* the Collective Measures Committee:

(a) To pursue such studies as it may deem desirable to strengthen the capability of the United Nations to maintain peace, taking account of the "Uniting for peace" resolution, resolution 503 (VI) and the present resolution;

(b) To continue the examination of information received from States pursuant to the "Uniting for peace" resolution, resolution 503 (VI) and the present resolution;

(c) In the light of its studies, to suggest to the Security Council and to the General Assembly such specific ways and means as it may deem appropriate to encourage further preparatory action by States;

(d) To report to the Security Council and to the General Assembly not later than the ninth session of the Assembly.

3. Since its establishment the Committee has been composed of the following fourteen Members of the United Nations: Australia, Belgium, Brazil, Burma, Canada, Egypt, France, Mexico, Philippines, Turkey, the United Kingdom of Great Britain and Northern Ireland, the United States of America, Venezuela and Yugoslavia. At its 17th meeting on 16 July 1954, Mr. Santiago Perez-Perez (Venezuela) was elected Chairman to succeed Mr. Joao Carlos Muniz (Brazil).

Information From States Relating to the Steps Being Taken in Implementation of the Recommendations Made by the General Assembly

4. Resolution 703 (VII) recommended to States Members, and invited States not Members of the

United Nations, to continue and intensify their efforts to carry out the recommendations of the "Uniting for Peace" resolution and of resolution 503 (VI), and to keep the Committee currently informed of the progress made. As stated in its second report (paragraph 26), the Committee addressed communications to Member and non-Member States recalling the recommendations of the General Assembly concerning collective measures. As at 7 October 1952, responses had been received from thirty-two States; these responses were summarized in annex G to the second report. Since that date responses have been received from five additional States and these are summarized in annex 2 to the present report.

Question of a United Nations Volunteer Reserve

5. The second report of the Collective Measures Committee, in dealing with the question of the formation of a United Nations Volunteer Reserve, indicated that the Committee had been able to give only preliminary consideration to the proposals made by the first Secretary-General of the United Nations in this regard. The Committee was subsequently advised that the Secretary-General did not wish, for the time being, to proceed with the proposals. The Committee is of the opinion that no further action or study by it is required on this question.

Replacements on the Panel of Military Experts

6. During 1953 the Government of the United States of America requested the Secretary-General to terminate the appointments of Lieutenant-General Willis D. Crittenger and Lieutenant-General Hubert R. Harmon as members of the Panel of Military Experts, and nominated Lieutenant-General Withers A. Burress and Lieutenant-General Leon W. Johnson for consideration as replacements on the Panel. In accordance with the procedures set forth in paragraph 10 of General Assembly resolution 377 A (V), the Secretary-General, with the approval of the Committee, appointed Lieutenant-General Withers A. Burress and Lieutenant-General Leon W. Johnson as replacements on the Panel. The current list of members of the Panel of Military Experts is set forth in annex 3 to the present report.

Principles of Collective Security

7. Since its establishment the Committee has engaged in a study of the techniques, machinery and procedures of national and international action in the field of political, economic and financial and military collective measures. The members of the Committee felt that the first and second reports contained a relatively comprehensive examination of the various aspects involved in a study of the question, and they hoped that the ideas put for-

ward could constitute a sound basis for any further study or action. During the period covered by the present report, the Committee did not embark on any new or more detailed studies, but it considered that a restatement of the principles of collective security would serve a useful purpose in helping to maintain and strengthen the United Nations collective security system.

8. At the 18th meeting of the Committee on 4 August 1954, the United States of America and the Philippines introduced working papers (A/AC.43/L.3 and L.4 respectively) setting forth a number of important principles of collective security. At the following meeting on 10 August, the Philippines and the United States submitted a joint working paper (A/AC.43/L.5) containing a co-ordinated text.

9. Discussion in the Committee indicated that a number of members wished to make specific suggestions or amendments to the text. It was accordingly decided, at the 19th meeting, to establish a working group of the whole Committee to draft an agreed text.

10. The Working Group on Principles of Collective Security held four meetings under the chairmanship of Mr. Perez-Perez. At the third meeting on 19 August, the Philippines and the United States submitted a revised joint working paper (A/AC.43/L.5/Rev.1). After further discussion and amendment, the Working Group approved the text (A/AC.43/L.6) of principles of collective security. At its 20th meeting on 27 August the Collective Measures Committee approved the text, which read as follows:

The Collective Measures Committee was directed by General Assembly resolution 703 (VII) of 17 March 1953 to pursue studies to strengthen the capability of the United Nations to maintain peace, taking account of the "Uniting for Peace" resolution of 3 November 1950 and resolution 503 (VI) of 12 January 1952.

Acting in pursuance of this directive and having regard to the work previously done by it in developing the collective security system of the United Nations, the Collective Measures Committee has formulated certain principles which it believes should be useful to the Security Council and to the General Assembly in exercising their responsibility under the Charter in the event of collective action being taken by the United Nations in the future.

The Collective Measures Committee recommends that, in order to facilitate the effective application of the collective measures undertaken by the United Nations, and the equitable sharing of sacrifices and burdens, the General Assembly should affirm that, in any case where the United Nations, either through the Security Council or through the General Assembly, decides upon or recommends collective action to maintain or restore international peace and

security, it should be guided, in undertaking collective measures, by the principles embodied in the "Uniting for Peace" resolution, General Assembly resolutions 503 (VI) and 703 (VII), and the two previous reports of the Committee noted by the General Assembly, and in particular by the following:

1. The greatest possible number of States should make effective and prompt contributions to the collective effort. The contributions of States may be military, political, economic or financial; direct or ancillary. Each State should make contributions in accordance with its constitutional processes and to the extent to which in its own judgment its capacity and resources permit, having regard to the requirements of individual and collective self-defence and internal security and to the total burden and sacrifice assumed by it in support of the Charter.
2. In the event that the collective use of force against aggression is decided upon or recommended, a primary objective shall be to secure the maximum contribution of effective military forces. States supporting United Nations collective measures should co-operate to this end not only by making their own contributions of forces but also by helping to provide logistic support to States which desire to contribute forces but are unable to provide adequately for the equipment, training or supplying of such forces from their own resources. States should also endeavour to make available ancillary support for the benefit of forces participating in such measures. Such ancillary support should include, where possible and subject to the explicit consent of the State concerned, necessary rights of passage through or over its territory and related rights and facilities.
3. Collective self-defence and regional arrangements or agencies constitute an important part of collective security. When action consistent with the Charter is taken in the exercise of the inherent right of individual or collective self-defence contemplated in Article 51, or to maintain or restore international peace and security within the framework of regional arrangements or agencies covered by Chapter VIII, the United Nations should take all appropriate steps, in conformity with the Charter, to make such action effective.
States should seek to obtain, whenever appropriate, in and through the international bodies and arrangements to which they belong or are parties, and within the constitutional limitations and the other provisions of those bodies and arrangements, all possible support for collective measures undertaken by the United Nations.
4. Collective economic and financial measures against aggression should include, where appropriate, all practicable assistance to the vic-

tim of such aggression and to the co-operating States.

Furthermore, it is the view of the Collective Measures Committee that:

When United Nations collective measures are taken or recommended against aggression, full consideration should be given to the establishment of appropriate machinery as contemplated in the two previous reports of the Committee, for the co-ordination of collective action and for the study of equitable sharing of sacrifices and burdens.

The Security Council and the General Assembly may wish to take into account, in appropriate circumstances, the arms embargo list and the list of strategic items prepared by the Collective Measures Committee to expedite the application of any embargo which the United Nations may decide upon or recommend.

Future Work of the Committee

11. Considering the important work which the Collective Measures Committee has performed in the past and the contribution which it could make in the further study of collective security, it is believed that it should remain in a position to pursue such further study, without prejudice to any change in the membership of the Committee which the General Assembly may wish to make.

Requests for Inclusion of Items on Assembly Agenda

The United States on August 20 joined with other U.N. members in requesting the inclusion of two items in the supplementary list for the provisional agenda of the ninth General Assembly. The items are entitled: "Draft Articles on the Continental Shelf" and "Economic Development of Fisheries and Question of Fishery Conservation and Regulation."

Following are the texts of the requests addressed to the U.N. Secretary-General.

ITEM RELATING TO CONTINENTAL SHELF

U.N. doc. A/2706 dated August 23

NEW YORK, 20 August 1954

We have the honour, on instructions from our Governments, to request that the following item be included in the supplementary list for the provisional agenda of the ninth regular session of the United Nations General Assembly:

"Draft articles on the continental shelf."

Department of State Bulletin

In accordance with rule 20 of the rules of procedure of the General Assembly, an explanatory memorandum is attached.

(Signed)

SHUHSI HSU

Alternate Representative of China on the Security Council

ERNESTO LEME

Permanent Representative of Brazil to the United Nations

D. J. VON BALLUSECK

Permanent Representative of the Netherlands to the United Nations

JAMES J. WADSWORTH

Deputy Representative of the United States of America to the United Nations

PETER E. RAMSBOTHAM

for the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations

L. K. MUNRO

Permanent Representative of New Zealand to the United Nations

CECIL D. B. KING

Acting Permanent Representative of Liberia to the United Nations

Explanatory Memorandum

At its fourth session, the General Assembly recommended that the International Law Commission study the régime of the high seas and the régime of Territorial waters (resolution 374 (IV)). At its fifth session, the International Law Commission completed its work on the continental shelf, and it recommended to the Assembly that it give favourable consideration to the draft articles on the continental shelf.¹ At its eighth session, the Assembly decided "not to deal with any aspect of the régime of the high seas or of the régime of territorial waters until all the problems involved have been studied by the International Law Commission and reported upon by it to the General Assembly" (resolution 798 (VIII)).

Since the passage of resolution 798 (VIII), the co-sponsors have come to the conclusion that it would be desirable for the Assembly to consider and attempt to solve, one at a time, the numerous segments of the very broad general subject of the régime of the high seas and territorial waters, as those segments are completed by the International Law Commission. This would seem to accord with the views of the International Law

Commission itself, which has recommended consideration of its draft articles on the continental shelf and on fisheries.

It has become more apparent since last year that if the Law Commission is to do its best work on these thorny problems, it may require several more years to complete its task. For example, it is felt that the Commission might not be able to reach final decisions regarding the breadth of territorial waters in the immediate future. Consultations with States and further useful deliberations on the part of the Commission will probably consume several more years. Hence this one aspect of the régime of the high seas and territorial waters may well require additional time before final recommendations can be sent by the Commission to the Assembly. Moreover, the problem of the régime of the high seas and territorial waters contains the following sub-items on which little or no work has yet been done by the Commission: nationality of ships, collision, safety of life at sea, the right of approach, slave trade, submarine telegraph cables, and the right of pursuit. Meanwhile, the number and intensity of international disputes relating to high seas and territorial waters seem to be increasing. Hence, the need for agreed solutions for these problems or any part of them is apparent.

Although the simultaneous solution of these problems might appear more logical, in practice, international law has frequently been advanced only by concentration and agreement on one small segment at a time. Frequently the process is one of reaching agreement on the less controversial segments first, and only then attempting to solve the more controversial aspects. In the view of the co-sponsors, the multi-sided field of the law known as the régime of the high seas and territorial waters may well be a good example of an instance in which such a process will prove very useful. Also, it may be an instance in which the reverse process of simultaneous consideration of all segments might prove unworkable. At best simultaneous consideration will greatly delay settlement of all of the problems in this field.

For example, there does not seem to be any basic disagreement among nations as to the conclusions reached by the International Law Commission concerning the exploration and exploitation of the resources of the continental shelf. On the other hand, there is nothing to indicate that there will be general acceptance of any solution of the question of breadth of territorial waters which might ultimately be recommended by the Law Commission. Since the whole project of the régime of the high seas and territorial waters contains a number of controversial problems, the solution of the less controversial should not be tied to the solution of the more controversial. To do so might delay indefinitely the solution of the whole project.

¹ See *Official Records of the General Assembly, Eighth Session, Supplement No. 9, doc. A/2456*.

It has been argued that since the various segments of the problem are inter-related, it will be impossible to solve one segment without prejudging or prejudicing the other segments. However, this difficulty can be overcome by disclaiming specifically any such prejudgment or prejudice. For example, in the final Assembly resolution relating to the draft articles on the continental shelf, a preambular paragraph could be inserted to the effect that the articles would not purport to prejudge or prejudice future decisions relating to such matters as base lines for territorial waters, the width of territorial waters, and fishery resources of the superjacent waters. Such a technique should reassure those States which have expressed a fear that the solution of one segment will prejudice the solution of another.

The co-sponsors believe that consideration of the Law Commission's draft articles on the continental shelf by the Assembly should not be postponed for an indefinite, and possibly great, number of years. However, since a number of Governments have indicated that they would prefer to study the draft articles further before reaching conclusions in relation to all of their details, it is believed desirable to delay substantive consideration of them until the tenth session of the Assembly. This additional year should provide sufficient time for thorough study by all Governments. The co-sponsors believe that in order to avoid undue delay the Assembly should decide at its ninth session to place on the provisional agenda of its tenth session the question of substantive consideration of the draft articles on the continental shelf.

ITEM RELATING TO FISHERIES

U.N. doc. A/2707 dated August 23

NEW YORK, 20 August 1954

We have the honor, on instructions from our Governments, to request that the following item be included in the supplementary list for the provisional agenda of the ninth regular session of the United Nations General Assembly:

"Economic development of fisheries and question of fishery conservation and regulation."

In accordance with rule 20 of the rules of procedure of the General Assembly, an explanatory memorandum is attached.

(Signed)

SHUHSI HSU

Alternate Representative of China on the Security Council

ERNESTO LEME

Permanent Representative of Brazil to the United Nations

D. J. VON BALLUSECK

Permanent Representative of the Netherlands to the United Nations

JAMES J. WADSWORTH

Deputy Representative of the United States of America to the United Nations

PETER E. RAMSBOTHAM

for the Permanent Representative of the United Kingdom of Great Britain and Northern Ireland to the United Nations

CECIL D. B. KING

Acting Permanent Representative of Liberia to the United Nations

Explanatory Memorandum

As part of its work relating to the régime of the high seas and territorial waters, the International Law Commission drafted certain articles on fisheries.² These draft articles are the result primarily of consideration of the legal aspects of high seas fisheries. It is the view of a number of States that these draft articles do not adequately meet certain very important technical problems of the world fishing industry. In recommending the drafting and consideration of international conventions relating to conservation of fisheries, the Law Commission itself stated: "The matter is of a technical character; as such it is outside the competence of the Commission."³

At its eighth session, the Assembly decided "not to deal with any aspect of the régime of the high seas or of the régime of territorial waters until all the problems involved have been studied by the International Law Commission and reported upon by it to the General Assembly." (resolution 798 (VIII)). This process may consume a great number of years. Meanwhile the number and intensity of fisheries disputes might well continue to grow and remain unsolved.

It is believed that the philosophy underlying Assembly resolution 798 (VIII) is that the International Law Commission and the General Assembly can solve at one time all of the complex problems arising out of the régime of the high seas and territorial waters. Without putting in issue the wisdom or the validity of this philosophy, the question of high seas fisheries presents a number of special problems which are probably capable of solution only with the assistance of a specialized body. These problems are in large measure of an economic and technical character. Even assuming that the Assembly will wait a number of years before discussing any draft articles on fisheries, such a discussion by the Assembly of these articles on fisheries would probably not be productive unless the Assembly has before it the views of fisheries experts on the problems. No reason can be seen for delaying the meeting of

² *Ibid.*, p. 17.

³ *Ibid.*, paragraph 104.

such experts until or after the Assembly discussion. Conversely, it is felt that it is logical to have them meet as soon as possible in order that their conclusions can be forwarded to the Assembly promptly and without necessitating a delay in fruitful Assembly consideration of fisheries problems.

The co-sponsors suggest to the General Committee and the Assembly that this item on fisheries be sent to the Second Committee, since it is economic development of fisheries and problems of fishery conservation and regulation that need consideration. The co-sponsors believe that after the discussion of the problem, a resolution should be adopted whereby problems of the economics and conservation of high seas fisheries would be referred either to the Food and Agriculture Organization or to a special governmental conference of experts for consideration and recommendations. The co-sponsors do not wish to submit a draft resolution at this time, because they feel that many useful points will be made in the course of discussion, and that the appropriate resolution can more easily be drafted at the conclusion of such discussion.

Supplementary Agenda Items for Ninth General Assembly¹

U.N.doc. A/2715 dated August 31

1. Translation of some official documents of the General Assembly into the Arabic language in accordance with rule 59 of the rules of procedure of the General Assembly: item proposed by Egypt, Iraq, Lebanon, Saudi Arabia, Syria and Yemen
2. The Morocco question: item proposed by Afghanistan, Burma, Egypt, India, Indonesia, Iran, Iraq, Lebanon, Pakistan, the Philippines, Saudi Arabia, Syria, Thailand and Yemen
3. The Tunisia question: item proposed by Afghanistan, Burma, Egypt, India, Indonesia, Iran, Iraq, Lebanon, Pakistan, the Philippines, Saudi Arabia, Syria, Thailand and Yemen
4. Draft International Covenants on Human Rights: item proposed by the Economic and Social Council (Economic and Social Council resolutions 545 B (XVIII) of 29 July 1954 and 547 G (XVIII) of 12 July 1954)
5. Status of women in private law: customs, ancient laws and practices affecting the human dignity of women: item proposed by the Economic and Social Council (Economic and Social Council resolution 547 H (XVIII) of 12 July 1954)
6. Amendment to the rules of procedure of the General

¹ For the provisional list of items, see BULLETIN of Aug. 9, 1954, p. 214.

Assembly; proposal for a new rule concerning corrections of vote: item proposed by France

7. The question of West Irian (West New Guinea): item proposed by Indonesia
8. Application, under the auspices of the United Nations, of the principle of equal rights and self-determination of peoples in the case of the population of the Island of Cyprus: item proposed by Greece
9. Complaint by the Union of Burma regarding aggression against it by the Government of the Republic of China: item proposed by Burma
10. Draft articles on the continental shelf: item proposed by Brazil, China, Liberia, the Netherlands, New Zealand, the United Kingdom of Great Britain and Northern Ireland and the United States of America
11. Economic development of fisheries and question of fishery conservation and regulation: item proposed by Brazil, China, Liberia, the Netherlands, Turkey, the United Kingdom of Great Britain and Northern Ireland and the United States of America
12. Admission to the United Nations of Laos and Cambodia: item proposed by Australia
13. Establishment of a world food reserve: item proposed by Costa Rica

TREATY INFORMATION

Public Hearings on General Provisions of GATT

The Department of State announced on September 8 (press release 496) that in reply to its notice of August 21, 1954,¹ that public hearings will be held September 13 through September 17, 1954, concerning possible changes in the general provisions of the General Agreement on Tariffs and Trade, more than 30 persons and organizations have requested to be heard. These include the following:

National Council of American Importers, Inc.
Underwear Institute
Committee for a National Trade Policy, Inc.
Bicycle Institute of America, Inc.
The Nationwide Committee of Industry, Agriculture, and Labor on Import-Export Policy
United States-Cuban Sugar Council
Industrial Fasteners Institute
The National Federation of Textiles, Inc.

¹ BULLETIN of Aug. 30, 1954, p. 310.

American Farm Bureau Federation
 Representative Emanuel Celler
 Shenango China, Inc. of New Castle, Pa.
 United States-Austrian Chamber of Commerce, Inc.
 The American Tariff League, Inc.
 Detroit Board of Commerce
 Tuna Research Foundation
 American Tunaboat Association
 U. S. Council of International Chamber of Commerce
 American Tung Oil Association
 Pope, Ballard, and Loas, Washington, D. C.
 Vitriified China Association
 National Milk Producers Federation
 National Grange
 Hansen Glove Corp.
 Wine Institute
 The Society of the Plastics Industry
 The Independent Petroleum Association of America
 Onandaga Pottery Company
 Benrus Watch Company
 League of Women Voters
 Dictaphone Corporation
 American Federation of Labor

Current Actions

MULTILATERAL

North Atlantic Treaty

Agreement on the Status of the North Atlantic Treaty Organization, National Representatives and International Staff. Opened for signature at Ottawa September 20, 1951. Entered into force May 18, 1954. TIAS 2992.

Ratification deposited: Canada, September 1, 1954.

Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948.¹
Acceptance deposited: Honduras, August 23, 1954.

Slave Trade

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953.²
Signature: Afghanistan, August 16, 1954.

Southeast Asia Defense Treaty

Southeast Asia Collective Defense Treaty, with an Understanding of the United States of America. Signed at Manila September 8, 1954 by Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom of Great Britain and Northern Ireland, and the United States of America. Enters into force between the states which have ratified as soon as the instruments of ratification of a majority of the signatories have been deposited with the Philippines. Protocol to the Southeast Asia Collective Defense Treaty. Signed at Manila September 8, 1954 by Australia,

¹ Not in force.

² Not in force for the United States.

France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom of Great Britain and Northern Ireland, and the United States of America. Enters into force upon the coming into force of the Southeast Asia Collective Defense Treaty.

The Pacific Charter. Signed at Manila September 8, 1954 by Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

Telecommunications

International telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954.²

Ratifications deposited: Ireland, July 14, 1954; Mexico, July 14, 1954; Luxembourg, August 3, 1954.

Final protocol to the international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954.²

Ratifications deposited: Mexico, July 14, 1954; Luxembourg, August 3, 1954.

Additional protocols to the international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force December 22, 1952.

Ratifications deposited: Mexico, July 14, 1954; Luxembourg, August 3, 1954.

FOREIGN SERVICE

Legation Helsinki Raised to Embassy

Press release 503 dated September 10

The United States Government on September 10 announced elevation of the United States Legation at Helsinki, Finland, to the status of Embassy. The Finnish Government, as is customary, has given its approval of this move and has assured the United States that it intends to reciprocate by similarly raising its Legation in Washington to Embassy status when it receives the necessary authority from the Finnish Parliament. The British and French Legations in Helsinki were also elevated to Embassies simultaneously with the United States Mission.

President Eisenhower has requested Minister Jack K. McFall to continue in Helsinki as Chief of the United States Mission, and he will shortly present his credentials as the first American Ambassador to Finland.

Consular Offices

On September 1, 1954, the Consulates at Dacca, Pakistan, and Rabat, Morocco, were elevated to the rank of Consulates General.

American Principles. Preserving Peace by Strengthening the Free World (Saltzman) 402

Atomic Energy. Atomic Power for Peaceful Use (Eisenhower) 396

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492	9/6	Dulles: Statement at Manila Conference.
493	9/5	Note to U.S.S.R. on plane incident. (See BULLETIN of Sept. 13.)
494	9/5	U.S. rejection of U.S.S.R. note. (See BULLETIN of Sept. 13.)
495	9/8	Delegation to U.S.-Philippine talks.
496	9/8	Hearings on GATT.
497	9/9	Smith: U.S.-Libyan agreement.
498	9/9	Texts of Manila agreements.
499	9/9	Saltzman: Free world strength.
500	9/10	Morton: Positive approach to the U.N.
†501	9/10	Great Lakes Fisheries Convention.
*502	9/10	Restitution of cultural objects.
503	9/10	Legation Helsinki raised to embassy.
504	9/10	Reply to Soviet note of July 24.
505	9/10	Malcolm MacDonald visit.
*506	9/11	Educational exchange.

*Not printed.
†Held for a later issue of the BULLETIN.



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The Department of State

OCT 11 1954
UNIVERSITY OF ILLINOIS

bulletin

Vol. XXXI, No. 796

September 27, 1954



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The Department of State bulletin

VOL. XXXI, No. 796 • PUBLICATION 5594

September 27, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

The Manila Pact and the Pacific Charter

*Address by Secretary Dulles*¹

Our quest for peace took us last week to Manila. There, eight nations met to create unity for security and peace in Southeast Asia and the Southwestern Pacific.

This unity was something that the United States had long sought. Four years ago I negotiated security treaties with Australia and New Zealand and with the Philippines. But we all knew that that was not enough; so these treaties called for "the development of a more comprehensive system of regional security in the Pacific area." President Eisenhower, in his peace address of April 16, 1953, called for "united action" to meet the threat of aggression in Southeast Asia. Last March, I repeated that appeal.

The President and I had hoped that unity could be forged in time to strengthen the negotiating position of the free nations during the Indochina phase of the Geneva Conference. However, this proved impracticable.

The Geneva outcome did, however, confirm the need for unity. So last week, Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom, and the United States met together. We negotiated as full and equal partners and in the end signed a treaty for defense against both open armed attack and against internal subversion.²

The treaty provides that, in the case of aggression by armed attack, each of the countries will act to meet the common danger. A council is

established for consultation with regard to military and other planning.

The treaty recognizes also the danger of subversion and indirect aggression. It deals with this difficult problem more explicitly than any other security treaty that has been made. In this respect, the treaty represents an important forward step, because subversion and indirect aggression have been principal tools of international communism.

The treaty provides that if any party believes that the integrity of the treaty area is menaced by other than armed attack, the parties shall consult immediately to agree on measures which should be taken for the common defense. These measures will, of course, never involve intervention in the purely internal affairs of another state.

The United States was in a special position at Manila, because it was the only one of the signatories which did not have territorial interests in the treaty area. For the others, the pact was not only an anti-Communist pact but also a regional pact. Therefore, it dealt with any and all acts of aggression which might disturb the peace of the area. We stipulated on behalf of the United States, however, that the only armed attack in that area which we would regard as necessarily dangerous to our peace and security would be a Communist armed attack.

Any significant expansion of the Communist world would, indeed, be a danger to the United States, because international communism thinks in terms of ultimately using its power position against the United States. Therefore, we could honestly say, using the words that President Monroe used in proclaiming his Doctrine, that Communist armed aggression in Southeast Asia

¹ Delivered to the Nation over radio and television on Sept. 15 (press release 509).

² For texts of the Secretary's statements at the Conference and of the Southeast Asia Collective Defense Treaty and the Pacific Charter, see BULLETIN of Sept. 20, 1954, p. 391.

would, in fact, endanger our peace and security and call for counteraction on our part.

Promoting Economic Welfare

The treaty recognizes the importance of economic welfare. But it does not commit the United States to any "handout" program. We agree to cooperate in the development of economic measures which will promote economic and social well-being. Congress this year had the vision to see that there might be special needs in Southeast Asia. So, by the Mutual Security Act, Congress has already provided a fund to be available in this area. Part of it will no doubt be spent to assist the free governments of Southeast Asia.

However, the treaty builds no economic walls. From an economic standpoint, such nations as Japan, Indonesia, Burma, Ceylon, and India remain important.

The treaty area is defined as the territory of the member states in Southeast Asia and the Southwestern Pacific. The protocol also extends the treaty benefits to Cambodia and Laos and the free territory of Viet-Nam. The Indochina armistice created obstacles to these three countries becoming actual parties to the treaty at the present time. The treaty will, however, to the extent that is practicable, throw a mantle of protection over these young nations.

This Manila Pact represents a considerable accomplishment. I would have been glad if it had come earlier. But it is definitely better now than never.

Of course, treaties are not self-operative. The signature of a treaty does not of itself have any miraculous effect. There have to be ratifications, and then there has to be a genuine will to carry out the treaty purposes.

I believe that the Manila Pact will, in fact, make a substantial contribution to preserve free governments in Southeast Asia and to prevent communism from rushing on into the Pacific area, where it would seriously threaten the defense of the United States.

We considered at Manila how to implement the treaty. One possibility was to create a joint military force. However, I explained that the United States' responsibilities were so vast and so far-flung that we believed that we would serve best, not by earmarking forces for particular areas of the Far East, but by developing the deterrent of

mobile striking power, plus strategically placed reserves.

This viewpoint was accepted. Thus, the treaty will not require us to make material changes in our military plans. These plans already call for our maintaining at all times powerful naval and air forces in the Western Pacific capable of striking at any aggressor by means and at places of our choosing. The deterrent power we thus create can protect many as effectively as it protects one.

In addition to agreeing to and signing the Manila Pact, there was also drawn up and signed a declaration known as the Pacific Charter. This proclaimed certain basic principles in relation to the right of peoples to self-determination, self-government, and independence.

This Pacific Charter was the idea of President Magsaysay of the Philippine Republic. He is a distinguished fighter for freedom against communism, and he felt it very important that our Manila Conference should make clear that we were seeking the welfare of the Asian peoples and we were not promoting "colonialism."

Principles of Pacific Charter

In my opening address to the Conference, I emphasized that one of the most effective weapons of communism was to pretend that the Western Powers were seeking to impose colonialism on the Asian peoples. I said we must make it abundantly clear that we intend to invigorate independence. "Only then can the West and the East work together in true fellowship."

This Manila Conference faced up to that issue. It was the first conference where representative nations of Asia and of the West sat down together to work out a program of mutual security. The result was the Pacific Charter, which, in ringing terms, dedicates all the signatories to uphold the principles of self-determination, self-government, and independence for all countries whose peoples desire it and are able to undertake its responsibilities.

Whenever there arises in Asia a power that wants to conquer others, it adopts the motto: "Asia for the Asians." The Japanese, when they were dominated by the war lords, used that slogan. Today the Soviet and Chinese Communists have adopted it. They want to prevent the free coun-

tries of Asia from getting the help they need to preserve their independence.

The Pacific Charter, on which the East and the West did meet, may well prove to be the most momentous product of the Conference.

The Communists' attitude was shown, during the Conference, by vicious propaganda attacks and even more significantly by new military activity in a nearby area. Apparently they hoped to intimidate the members of our Conference and perhaps prevent some from signing the security pact.

Efforts to intimidate by violence are typical of the Communist technique. When the Korean armistice negotiations were reaching their climax, the Chinese Communists opened their bloodiest assault against the United Nations position in Korea. Once it had been agreed to discuss peace in Indochina, the Communist forces of Ho Chi Minh, backed by Communist China, opened their murderous assault on Dien-Bien-Phu. And as the Manila Conference opened, the Chinese Communists opened their artillery fire on Quemoy, an island which has been part of Free China ever since the end of World War II and which was only about 400 miles distant from the Philippines.

This effort to intimidate the Manila Conference was a total failure. All of the participants signed the Manila Pact and the Pacific Charter with confidence that in so doing they were adding to their own security.

Now, the Soviet Foreign Office has just issued a lengthy statement denouncing the Manila Pact. It particularly complains of article 4, which provides for united resistance to armed attack and political subversion. The Soviet statement says that the Chinese Communists also do not like the pact.

The Manila Pact is directed against no government, against no nation, and against no people. It is directed only against aggression. The fact that the Communists find that objectionable is tragically revealing of their ambitions.

The United States at Manila impressively showed national unity. The three plenipotentiary delegates to the Conference were H. Alexander Smith, Republican Senator from New Jersey; Michael J. Mansfield, Democratic Senator from Montana; and I. Both Senators are members of the Foreign Relations Committee and are thoroughly familiar with Far Eastern matters.

Thus the Executive and the Senate and both political parties took part in the negotiation and the consummation of the treaty. I am greatly indebted to the contribution which both Senators made to the successful outcome of the Conference.

The theme of our Conference was "greater security through greater unity." We need that unity not only as among nations but also within our own Nation. It is healthy to have two political parties which compete for the right to represent the Nation. It is also important that that competition should stop at the water's edge so that, when we face others, we do so as a united nation. That has been our developing tradition, and the Manila Conference added to that tradition a new and a worthy chapter.

Security Council Meeting on Problems of Pacific

Statement by the President

White House Office press release dated September 13

Yesterday, the National Security Council met with me here in Denver. This was unprecedented, but it was also very natural. I had not met with the Council for more than 2 weeks, while it happened that yesterday Secretary Dulles reached here on his way back from the Philippines, where he had been conducting difficult negotiations.

We met in order that all of us together could have the benefit of his observations and the details of his report.

No specific decisions were advanced for action. It was merely a consulting together as to the place of the United States in the world today in that particular area—that troubled area of the Western Pacific—and reaffirming our devotion to certain policies.

These are, of course, to defend the vital interests of the United States wherever they may arise, to make better partners of old friends, and to get new friends wherever we can. And of course, where our vital interests demand it, to support them in their security and in their own interests.

The meeting lasted several hours and broke up last evening.

Consultations With West German and British Leaders

Following are the texts of statements made by Secretary Dulles at Washington on September 15 as he left for visits to Bonn and London, at Bonn on September 16, and at Watertown, N. Y., on September 18, together with communiques issued at Bonn and at London on September 17.

STATEMENT OF SEPTEMBER 15

Press release 510

I am leaving for Europe on account of the problem created by the French failure to ratify the treaties which would have restored German sovereignty and brought Germany into a European Defense Community.

The United States Senate, before it recessed last month, unanimously resolved that in this eventuality steps should be taken to restore German sovereignty and to enable her to contribute to the maintenance of international peace and security.¹ I accordingly plan to be in Bonn Thursday afternoon [September 16] to initiate discussion of this matter with Chancellor Adenauer. I shall spend Friday in London where I shall confer with the British Foreign Secretary, Mr. Anthony Eden.

Because the United Nations General Assembly convenes the first of next week, I shall not have the opportunity to meet others in Europe at this time. However, it is probable that later this month there will be a European meeting at which the representatives of a number of interested countries will be present, and I look forward to having, at that time, a further and broader exchange of views.

STATEMENT OF SEPTEMBER 16

I have come to discuss with Chancellor Adenauer the means of restoring sovereignty to the Federal Republic of Germany and bringing Germany as an equal partner into the society of the free. Such action has been suspended while various parliaments dealt with the treaties which contemplated that German sovereignty should be returned within the framework of a European Defense Community.

¹ BULLETIN of Aug. 23, 1954, p. 284.

Since that program has been halted, at least temporarily, an alternative must be found.

The postwar Federal Republic has consistently followed such enlightened policies that its views must now command great respect. Therefore, I come to Bonn for an exchange of views with the Chancellor.

Before final decisions are reached, there will, of course, be further exchanges of views between all who are genuinely concerned with the peace, security, and freedom of Europe.

BONN COMMUNIQUE OF SEPTEMBER 17

The American Secretary of State and the German Federal Chancellor held a thorough discussion of the European situation on September 16 and 17 in Bonn. The conversation took place in the friendly and cordial atmosphere which has characterized the relations of the two governments. There was complete agreement that European integration was so vital to peace and security that efforts to achieve it should be resolutely pursued and that this great goal should not be abandoned because of a single setback.

They agreed that German sovereignty should be restored with all speed. At the same time they agreed that Germany should participate in full equality in a system of collective security. This program, so important for the fate of Germany and the free world, should, in view of the two ministers, be further considered as soon as practicable with the other interested governments and following a NATO ministerial meeting should be translated into concrete action.

LONDON COMMUNIQUE OF SEPTEMBER 17

Mr. Dulles and Mr. Eden exchanged views in London on September 17, in the light of their recent journeys, on the situation caused by the French Assembly's rejection of the European Defense Community.

They agreed upon the need for speedy action and favored the early convening of a preparatory conference to consider how best to associate the German Federal Republic with Western nations on a basis of full equality.

STATEMENT OF SEPTEMBER 18

Press release 515

I return from a 2-day trip to Europe. I conferred in Germany with Chancellor Adenauer and at London with Prime Minister Churchill and Foreign Secretary Eden.

When the French Parliament failed to ratify the treaties to create the European Defense Community and to restore sovereignty to Germany, I felt that my duty was to meet promptly with Chancellor Adenauer. He has sought wholeheartedly to associate Germany with the free West. He has wanted Germany to contribute to the security of the free West. But he has been zealous to find ways whereby German rearmament would be so integrated into a single European force that it could never again serve German militarism.

I found the Chancellor holding steadfast to the lofty concept of European unity. However, he feels that it is no longer possible to withhold sovereignty from Germany until European unity is achieved; also that there can no longer be deferred the preliminary steps which will permit Germany to exercise the inherent right of individual and collective self-defense.

I informed the Chancellor that his views in these respects were fully shared not only by President Eisenhower but by the Congress and, I believe, by the American people generally. I pointed out that the United States Senate, by a resolution adopted with unanimity, had urged the restoration of German sovereignty so as to enable Germany to contribute to international peace and security.

At Bonn we talked over all these matters. I feel confident that we can continue to count upon the Federal Republic of Germany to pursue policies of wisdom and moderation and not to close the door to the eventual realizing of the great vision of a united Europe.

At London I learned from Mr. Eden of the results of his recent trip to Brussels, Bonn, Rome, and Paris. I also informed him as to the views of the United States and the impressions which I had gained from my own visit to Bonn.

It is apparent, indeed it has long been apparent, that there is no adequate substitute for the European Defense Community. Nevertheless we must do the best that we can. Many minds are resourcefully studying what next steps are in order. We hope that sufficient preparatory work can be done during the coming week to justify a preliminary meeting of the Foreign Ministers of the countries principally concerned during the week following that.

It would be a mistake to assume that any acceptable solution has been fully developed. It would be an even greater mistake to adopt a negative approach which would result in the disintegration of what has been built since the war out of the sacrifices, the efforts, the aspirations of many.

The United States is deeply concerned with the maintenance of peace and security on the European continent. European security is intimately connected with our own. We shall, therefore, continue our association with European planning to achieve those ends. There are many European leaders who retain hope of real achievement. They know that we will support them in their creative efforts.

Department Names Political Advisers to General Assembly Delegation

The Department of State announced on September 17 (press release 513) the designation of four principal political advisers to the U.S. delegation to the Ninth General Assembly of the United Nations, which convened at New York on September 21. They are: John C. Dreier, U.S. representative on the Council of the Organization of American States, who will act as adviser on American Republic affairs; Jack K. McFall, Ambassador to Finland, who will act as adviser on European affairs; Philip W. Bonsal, Director of the Office of Philippine and Southeast Asian Affairs, who will be adviser on Far Eastern affairs; and Henry S. Villard, Minister to Libya, who will act as adviser on Near Eastern and African affairs.

The Reorganization of the American Foreign Service

by Charles E. Saltzman
*Under Secretary for Administration*¹

Before coming over here, I happened to scan a copy of the annual report of the Advertising Council, whose efforts in the public service each year are a powerful demonstration of the progressive attitude and social conscience of American business. The inside of the front cover carried a quotation that struck me not only as appropriate to this occasion but so profoundly true and so applicable to our present situation that I am moved to repeat it.

"No business is an island—every business is a citizen of its community and of the nation."

Your presence here is concrete evidence—if any is needed—that business recognizes its responsibilities and proceeds on the thesis that the public good cannot be separated from its own.

One cannot spend much time in Washington without being impressed by the willingness of business leaders to sacrifice their personal interests in the service of government. You don't have to look very hard to discover that the top businessmen spend a great deal of time contributing such service as membership on boards and commissions. I could cite many such instances, but I have one in mind, in particular—the Secretary of State's Public Committee on Personnel.

That Committee is a good example of the readiness of business executives to contribute their talents to the problems of government. And I cite this Committee also because its mission—the reorganization and strengthening of the American Foreign Service—is really the subject of my talk this noon.

¹ Address made before the Board of Directors of National Sales Executives, Inc., at Washington, D. C., on Sept. 10.

I want to talk for a while about the work of this Public Committee and of the program under the chairmanship of Dr. Henry M. Wriston, president of Brown University, who gave wise and experienced leadership to the group.² I do so because I believe it will be of interest to businessmen like yourselves who have a keen appreciation of the State Department's responsibilities in the cold war. To discuss this Committee, its work, and the way it handled its assignment presents certain difficulties because I was a member of it. I ask you to be tolerant if I make it evident that I think the Committee did a good job. I am convinced of the importance of the Committee's assigned mission and am proud to have been identified with such a public-spirited and effective group of men.

Expansion of Government Activity

The Committee's mission concerned one phase of a larger problem about which we have all heard a good deal in the past decade—the problem of attracting top men to government service. Even in our generation the activities of government have immensely expanded and its responsibilities tremendously increased. You and I have witnessed a major change in the world position of the United States. Thirty years ago American foreign policy was conditioned by the existence of the great ocean barriers on each coast con-

² For the list of the members of the Committee, see *BULLETIN* of Mar. 15, 1954, p. 413. For the recommendations of the Committee, see *Toward a Stronger Foreign Service: Report of the Secretary of State's Public Committee on Personnel, June 1954*, Department of State publication 5458, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C., 30¢.

trolled by the combined seapower of this country and Great Britain. A small group of aviation enthusiasts were trying to extend the range of military aircraft beyond the 500-mile mark and striving to intensify the interest of professional military strategists in the striking potential of bombers. And to the rank and file of Americans, foreign policy was a matter of a secondary interest. In fact, this was largely true up until World War II.

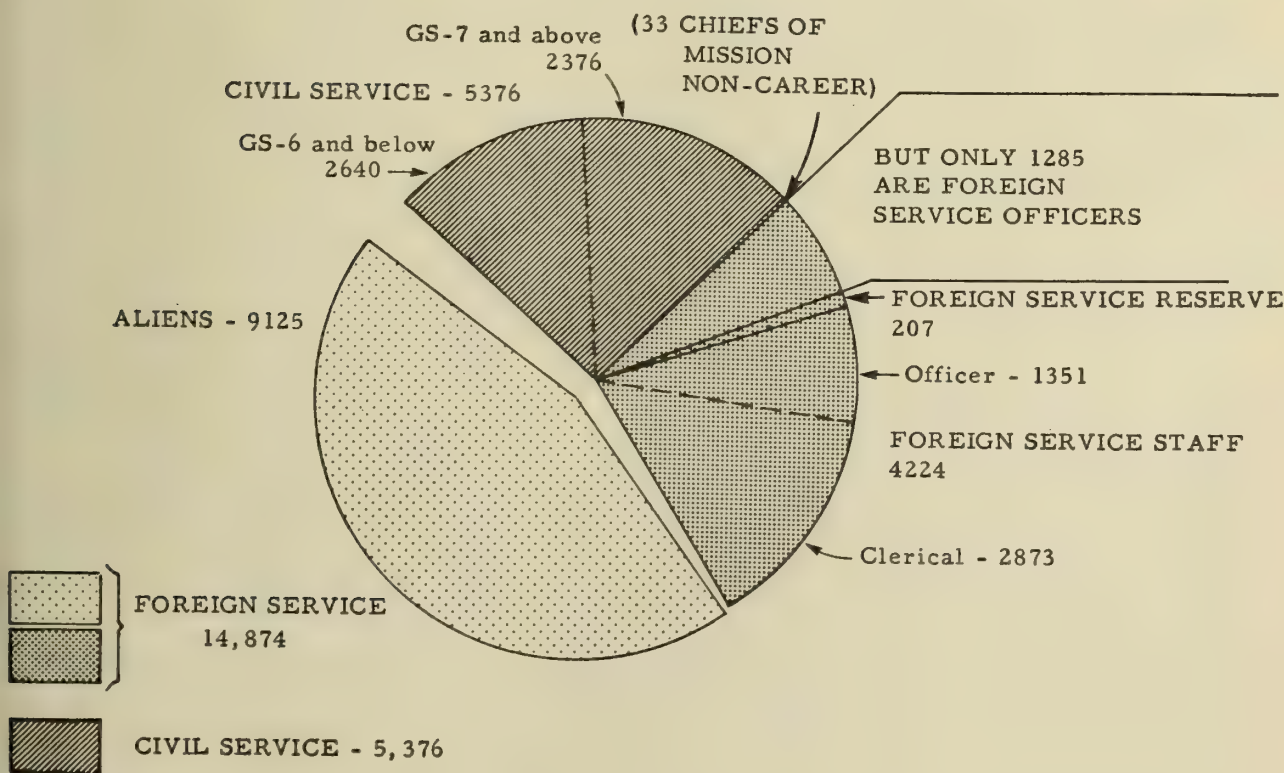
I think there is no need to belabor the contrast between then and now. The major significance is that in the present era government policy, domestic and foreign alike—and at times it is difficult to distinguish between the two—exerts a great influence on all of our daily lives. In fact, our survival as a people and as a nation may depend upon it.

The impact of this development on the State Department was sharp. Its responsibility for the

conduct of postwar foreign relations took on gigantic proportions. Not only had old problems been intensified by the war, but fundamental new difficulties now appeared and had to be faced. The U.N. had been established. This country found itself projected into an unexpected global struggle with the modern imperialism of communism led by Soviet Russia. We were in a cold rather than a shooting war. A cold war is principally a State Department war. With our way of life itself at stake, it is clear that those problems in the province of the Department of State were of the utmost gravity to us as a nation.

It is ironic that the American public knows less about the functions and the responsibilities of the State Department than of any other branch of the Federal Government. The irony here is sharpened by the fact that the major difficulties faced by the United States today are within the area of State Department responsibility. Our present-day do-

THE DEPARTMENT OF STATE HAS 20,250 EMPLOYEES



Of the 20,250 employees, 14,513 are on duty overseas

mestic problems cannot compare in gravity with those which come from abroad.

The tasks at which the State Department labors are difficult—and it may well be that some of them are impossible of accomplishment. And because the public knows little about the State Department, I don't think we can expect much popular understanding and sympathy unless the public knows more about us than it has in the past. It should be borne in mind that the State Department is identified with one major trouble after another. I might add that the foregoing is an occupational hazard accepted as routine by the Department's employees.

In these terms, then, it is abundantly obvious that a government—or one of its branches—which must cope daily with matters of great intricacy and of transcendent importance to the people should be able to draw on the best American minds. And it is equally obvious that our national interest demands that the government be

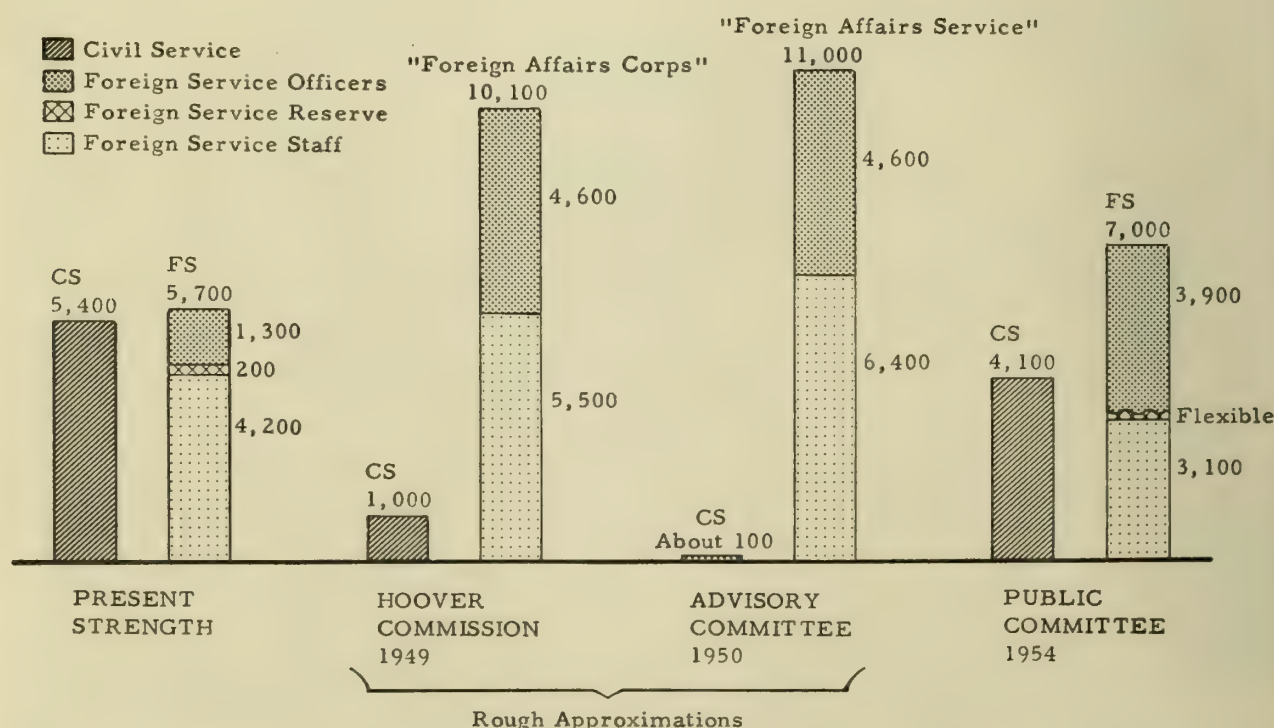
effectively administered and staffed by competent and experienced people. This is particularly true of the Department of State in view of its central role in the cold war. A large portion of the State Department's responsibility falls on our professional diplomatic corps, the American Foreign Service.

This situation did not go unrecognized. Several steps were taken to strengthen the Foreign Service which, for a variety of reasons which I will touch on later, produced few results. When Secretary Dulles took office, the problem had reached an acute stage, as had many other aspects of our international relations. As soon as was feasible, the Committee on Personnel was appointed to examine the problem and make recommendations.

Let me give you an idea of what this Committee found on looking into the Foreign Service organization. They discovered it was one of two separate and distinct personnel systems inside the

COMPARISON OF PERSONNEL CATEGORIES UNDER VARIOUS RECOMMENDATIONS

Approximations Based on Present Strength of 11,100 Americans



TERMS OF REFERENCE

THE PROBLEM

"...a more effective instrument for the conduct of United States foreign relations and thereby a greater protection to the national security."

THE PRIMARY OBJECTIVE

"...that the Department and its establishment abroad may be staffed to the maximum possible extent by career personnel, specially trained for the conduct of foreign relations and obligated to serve at home and abroad."

March 5, 1954

Department of State. The other was the Civil Service system. And under the Foreign Service system were three subsystems with differing pay scales, retirement systems, and employment regulations.

They found that the 1,285 Foreign Service officers represented only about one-third the number needed for staffing of overseas posts and manning the geographic and political desks in the Department. On this group fell the main burden of representing the United States in the 105 countries with whom we maintain relations. And as some of you know, this is no light assignment.

The responsibilities of the Foreign Service are varied. Its officers conduct the business of American embassies and legations. They perform consular services for American citizens abroad. They handle certain phases of the increasing business that this country has with other nations, and the negotiation of treaties and agreements. In addition, the Foreign Service officer does vital reporting for this Government abroad. He is the eyes and ears of the United States overseas—the source of the political and economic intelligence upon which many policy decisions are based.

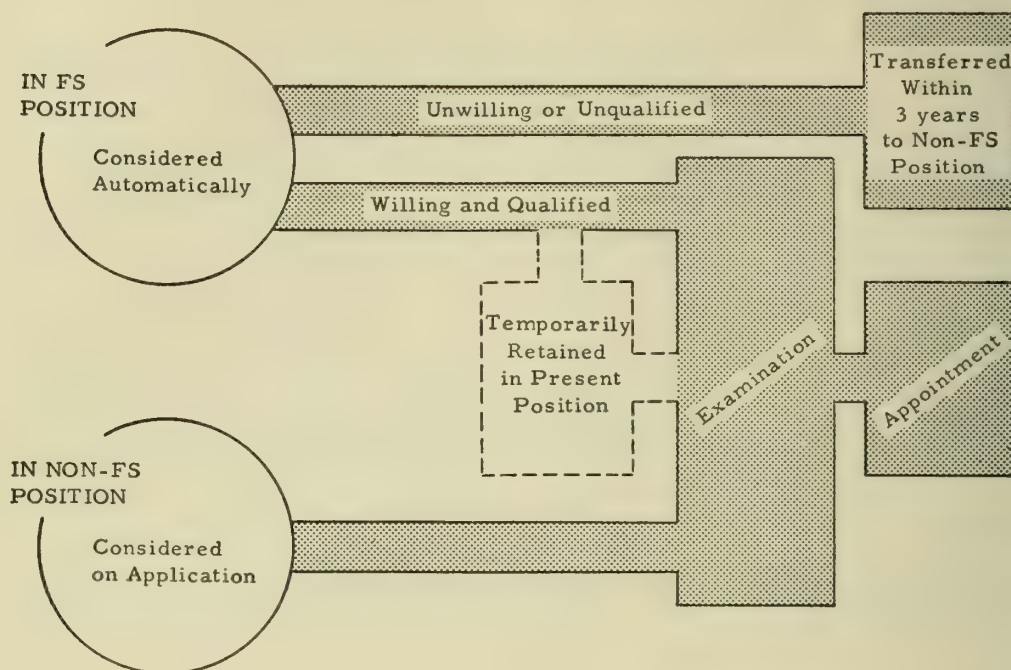
The foregoing is by no means a complete résumé

of the career diplomat's duties. But I think it is enough to suggest that he performs a vital service—and that demands perception, judgment, intelligence. And well does he need them, for he is charged with the most crucial problems which affect the very existence of your family and mine.

If we are short of trained men, if our Foreign Service lacks a good supply of these qualities in its delicate and vital mission, our ability to form and execute policy in a grave emergency would be crippled.

You need no convincing, I am sure, that the emergency is painfully real. I have already noted the threat of Communist imperialism which is being pressed by the Kremlin on all fronts—military, political, economic, and psychological. Add to this a few present-day examples of foreign-relations problems. The refusal of the French Chamber of Deputies to ratify the European Defense Community, which was an important component of American policy in Europe, has compelled a complete review of that policy with perhaps the effective defense of Western Europe hanging in the balance. Dangerous unrest continues to plague North Africa, where we have located important air bases for Western defense.

TRANSFER TO FOREIGN SERVICE STATUS



The settlement of the Suez dispute and the Iranian oil question offers a good chance to move ahead toward the establishment of solid free-world defense in the Middle East if we plan with sufficient skill. The people of Guatemala have removed a Communist beachhead in this hemisphere, and we are now working with the other American nations to tighten the hemispheric defenses against Communist penetration. In the Far East we have just joined in a security pact with seven other powers who have a stake in peace and security in Southeast Asia.

In this complicated situation we have been operating with a professional diplomatic corps in which one-third of the foreign affairs officers have been separated from the rest by unnecessary administrative partitions. And furthermore, we have been operating with a service in which the morale of the individual officer has been impaired.

But before taking up this matter of morale, I have several points that should be mentioned at this time. One is that present efforts to strengthen and expand the Foreign Service and to remedy

certain organic faults are by no means the first efforts in this direction. In the immediate post-war period the Congress took cognizance of the need for a stronger Foreign Service and passed legislation designed to aid in building it up. A task force of the first Hoover Commission on government reorganization in 1949 took strong note of the deficiencies I mentioned and offered recommendations to remedy them. There also was a directive issued in 1951 which, if promptly complied with, would have permitted an expansion of the Foreign Service officer corps by lateral entry at various grades from other parts of the State Department and by a speedup in recruitment.

There are probably a number of reasons why the indicated reforms were not instituted. One major reason is certainly the lack of aggressive administration. I have cited the existence of two parallel personnel organizations within the State Department which, in my view, could not help but contribute to administrative malfunction. Moreover, this dual system encouraged the Foreign Service to regard itself as a group apart and

blocked an advantageous interchange of skills and experience between the Foreign Service and the headquarters organization as represented by the Civil Service staff.

In regard to the earlier recommendations, the administrative delays and postponements in putting them into effect were tantamount to nullifying them. In sum, prior proposals to strengthen the Foreign Service were well enough conceived. Had they been put into effect with reasonable vigor, the chances are that the Committee on Personnel would not have been needed. But as is always the case, recommendations mean nothing unless action is taken. And in the case of the Foreign Service, very little was actually done. It is therefore to be hoped that this time things are going to be different. It is my primary purpose in my present job to see that they are.

The Morale Factor

Before going into particulars on my reasons for saying that, I would like to discuss briefly a factor I have mentioned earlier—the factor of morale. You cannot fail to be aware of the various attacks that have been directed against the State Department and its Foreign Service. These attacks range all the way from charges that they are a group of individuals who go around to cocktail parties wearing striped pants to accusations of disloyalty. Unhappily, in the present climate

there isn't a great deal an individual Foreign Service officer can do in the way of an effective defense. A man doesn't make much yardage denying that he wears striped pants. And if he proves the accusations of disloyalty unfounded, the best he can come off with is being a man who proved he wasn't disloyal.

On this count, I have several things to say. First, whatever basis the attacks on the Foreign Service may have had in the past—and I don't think there was much—they cannot be held to be of substance now. Along with everyone else in the executive departments, the State Department, including the Foreign Service corps, has been subjected to a thorough and exhaustive going-over in the area of loyalty and security pursuant to the requirements of President Eisenhower's Executive order on the subject issued last year.

But even so, the attacks have had a demoralizing effect. It was inevitable that the morale of the Service would suffer—a development which was abetted by a reduction in force made necessary by a severe budget cut. You may be assured that the State Department's management realizes fully the importance of good morale and its effect on performance.

Thus, in addition to greater size and strength, there was need for a boost in morale. These were the main—but not the only—weak spots. The training of men for the Foreign Service stressed the development of the all-around man—the “generalist” so to speak—at the expense of the specialist, for which there is now a real need. The Service also had a tradition of promoting everybody from the bottom up through the ranks. Thus, qualified men outside the Service proper, available for appointment at middle or upper levels, have not been drawn in except in comparatively few instances. There are other items which could be mentioned if time permitted.

EXAMINATION PROCEDURE

PRESUMPTIONS

- If performance record acceptable
 - ⇒ Officer is eligible for appointment
 - ⇒ Present salary and grade level justified

EXAMINATION

- Consists of
- ⇒ Review of performance record
 - ⇒ Supervisors' appraisals
 - ⇒ Interview with senior officer



Committee Recommendations

With the difficulties thus defined, the Committee submitted detailed recommendations to remedy them. These were examined by the top men in the Department and received, as well, the attention of the White House. Secretary Dulles approved all the fundamental recommendations of the Wriston Committee and ordered them put

into effect.³ Personally I am convinced that the program will go far toward assuring that we have the kind of Foreign Service that we need. And I am very sure that it will not encounter the difficulties experienced by previous efforts. In all its various phases it has the vigorous support of Secretary Dulles and has the President's personal interest.

I would like to mention briefly the high points of the program. A major project is the integration into one Foreign Service officer corps of the Foreign Service, and the Civil Service and the so-called Foreign Service staff above a certain level of employment. Upper-level officers working on foreign affairs, now in the Civil Service or Foreign Service staff, if they are willing and qualified, will be drawn into the Foreign Service officer corps by a process we describe as lateral entry.

By this means, we will be able to accomplish a quick expansion of the Foreign Service by taking in experienced officers, particularly needed specialists, from the Departmental staff and the Foreign Service staff. Foreign Service regulations are

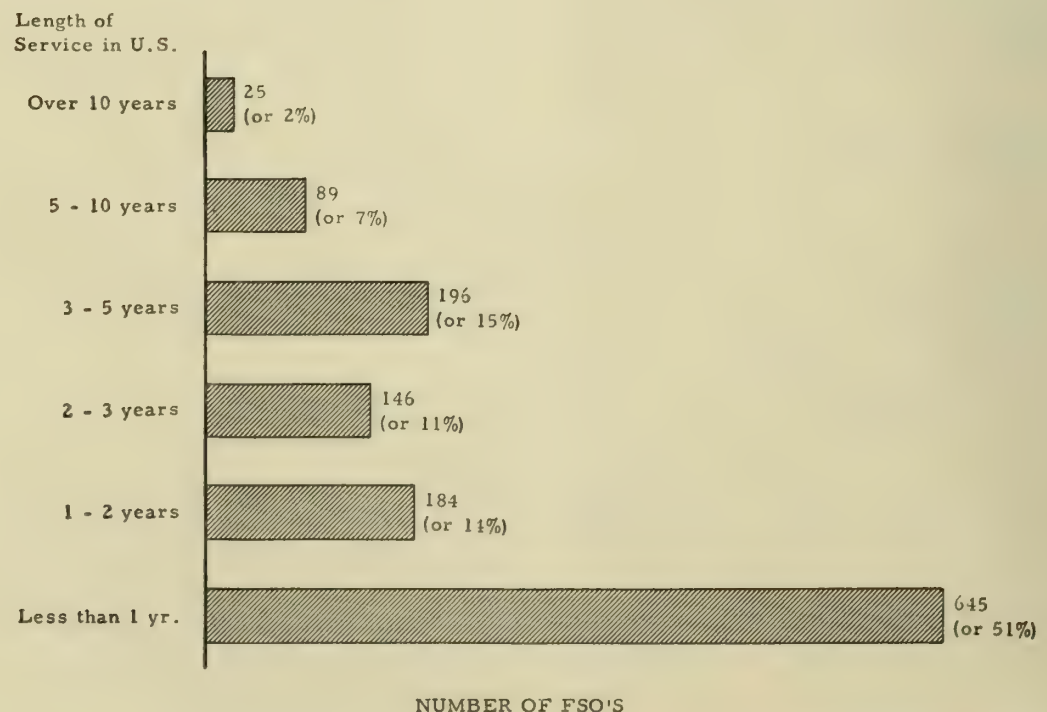
being liberalized to facilitate the rotation of officers so that the newly acquired Foreign Service officers can be given overseas experience and members of the present Foreign Service can be assured of more assignments in this country.

This rotation is very important to prevent our diplomatic corps from losing touch with developments here. And it is not hard to lose touch. To a shockingly large extent service in the Foreign Service officers corps has heretofore been the equivalent of exile. For example, of a group of 197 officers with more than 20 years of service, 45 had served on assignment in the United States 2 years or less. We discovered that one officer in 43 years of service had 13 months' assignment here.

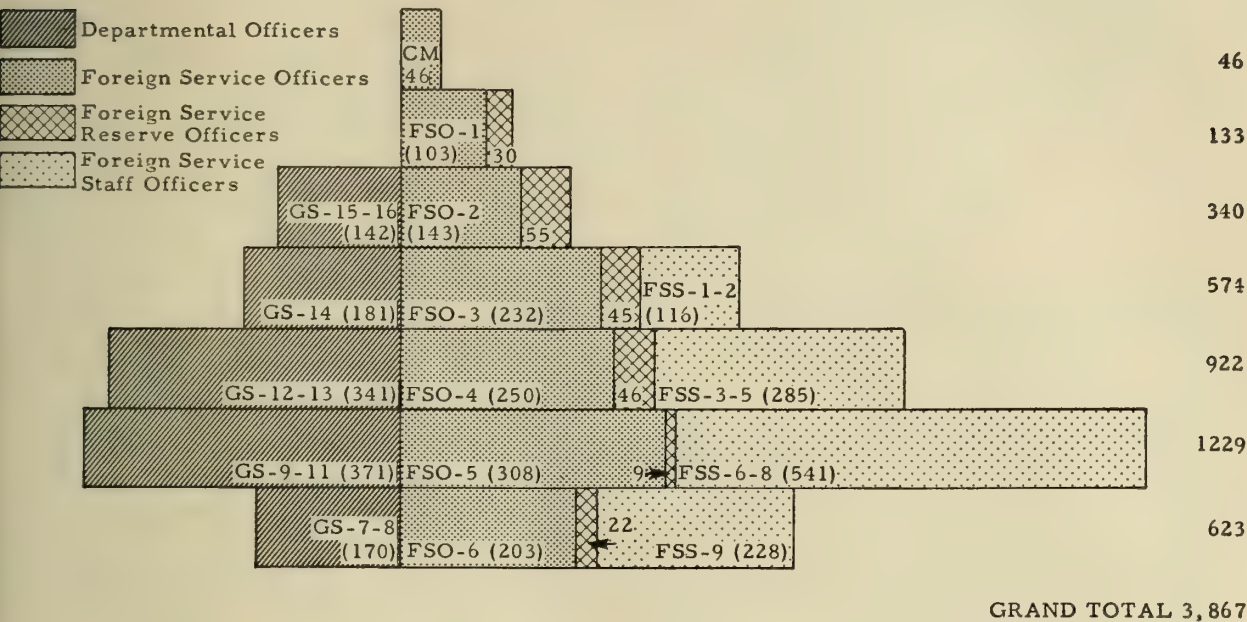
At present it is our hope to bring the members of the Foreign Service corps back for a State-side assignment after a 6-year tour overseas. If this schedule can be maintained, we can be sure of a corps whose knowledge and feeling for the American scene is regularly refreshed. In addition, by periodic participation in it in this country, they would have a better and more comprehensive understanding of policymaking and the forces that influence it.

³ BULLETIN of June 28, 1954, p. 1002.

TOTAL TIME ON DUTY IN U.S. OF 1,285 FSO'S



THE SHAPE OF AN INTEGRATED FOREIGN SERVICE BY ORIGIN AND GRADE STRUCTURE*



*Based on present class structure of FSO Corps and those other officers whose positions would be designated for FSO staffing.

The process of lateral entry is stage one of a two-stage expansion of the Service. By it we will be able to build up the corps' strength quickly at the middle and upper levels.

Recruitment Program

To complement the lateral entry program, we have instituted a more energetic plan of recruitment of young officer candidates—to insure that the Foreign Service will get a steady supply of new blood. We are improving our contacts with colleges and universities—the main sources of candidate material—and have accelerated the examination and selection schedule so that the current delays in appointment will not discourage good prospects.

In addition, we hope to launch a Foreign Service Scholarship Training Program, which will enlist promising candidates at the end of their second year in college and provide them with a scholarship during their last 2 years. These scholarship

students would commit themselves to the guidance of the State Department, exercised through the Foreign Service Institute, for the last half of their college course. Scholarship students would guarantee to serve a minimum of 4 years after being graduated.

Under the foregoing program, we plan to build the Foreign Service to a level just short of 4,000 officers in the space of 2 years.

With such a Foreign Service corps, we will have a group which speaks with one voice. If a person is employed by the Department of State in a Foreign Service capacity, regardless of whether his post is in Rangoon or in Washington, he will be a member of the Foreign Service corps. The cleavage between the Foreign Service officer, committed to extensive duty overseas, under a separate administrative machinery, and the foreign affairs specialist under Civil Service without commitments for overseas service, will be at an end. Frictions will be eliminated, separatism ended.

We will have a Foreign Service expanded to the needed size and greatly enriched.

We look forward to a Foreign Service corps of this kind because it is the answer to a long-felt need. There are many administrative problems to solve, but that is to be expected in any reorganization. The point which I now emphasize is that we have made a good beginning. And now that we are on our way, we are determined to see it through.

Statement by Secretary Dulles on Personnel Integration Program

Department Circular 115 dated September 8

In March I appointed a Public Committee on Personnel to recommend measures necessary to strengthen the professional service of the Department and the Foreign Service. The Committee studied the matter, reviewed the recommendations of prior study groups, interviewed numerous officers of the Department and the Foreign Service, and sought advice in many quarters.

I reviewed the work of the Committee and concluded that the actions they recommended—to expand the Foreign Service officer corps, to simplify the personnel structure, and to create within the State Department in Washington a number of positions to be filled by Foreign Service officers—will be of benefit to the Department and to the conduct of foreign affairs.

The national interest urgently requires a stronger and more versatile Foreign Service. I agree with the Committee that the way to achieve this objective is to bring into the Foreign Service officer corps many of those civil servants now in the Washington headquarters, Foreign Service Reserve officers, and higher-level Foreign Service Staff. The members of the expanded Service will be obligated to serve at home and abroad and will staff not only posts in the field but the majority of officer positions in the Department as well. The augmented Foreign Service will rest on the existing statutory foundation.

The President signed on August 31, 1954, an act passed by the Congress which facilitates our moving ahead with the integration program as recommended by the Public Committee. This act amends the Foreign Service Act of 1946 to permit

lateral appointments to classes FSO-1 through FSO-5 at any of the salary rates of these classes rather than only at the minimum rate of the class. The present amendment permits only 500 appointments at other than the minimum rate, and this authority expires March 31, 1955. Eligibility for such appointments is limited to officers appointed from the classified civil service, the Foreign Service Reserve, or the Foreign Service Staff. Incumbents of schedule A, B, and C positions and other excepted positions (e. g. positions in USUN [the U.S. Mission to the United Nations]), Presidential appointees, and personnel who do not have civil service status are ineligible for such appointments and, therefore, may only be appointed to the minimum rate of the class. The Congress, in passing this limited authority, did so with the intent of permitting us to proceed with the program but also to insure a full review by the Congress early in its next session. I hope that in obtaining an extension of this authority we may also gain the removal of these limitations.

So that each one of you may know the objectives of integration and my intentions as we move through the several phases of the program, this circular constitutes an overall policy statement. This should be read in conjunction with the Committee's Report, which discusses the reasons which led to recommending the integration program.

The integration program involves the following actions:

Designation of Positions

About 1,400 Departmental positions, including 16 in the U.S. delegation to the U.N., have been designated as "Foreign Service positions" and will, in due course, be staffed by Foreign Service officers.

This is in accordance with the policy statement issued on February 6, 1954: ". . . that positions dealing with substantive policy, desk officers and higher in the regional bureaus, and comparable positions in the U.N. area, shall be filled by Foreign Service officers." In addition, many positions in the functional and administrative areas have been designated "Foreign Service positions." The positions not so designated will continue to be staffed under civil service procedures. Steps are also being taken to identify those positions at overseas posts, which the Committee estimated would number approximately 2,250, which will be staffed by Foreign Service officers and, as

requested, by Foreign Service Reserve officers. The positions overseas not so designated will be filled by Foreign Service Staff personnel.

Transfer of Officers

The transfer of Departmental, Reserve, and Staff officers to the Foreign Service officer corps will be effected on a voluntary basis and by invitation under a revised examination process. This process will be based on the presumptions:

- (a) That an officer with an acceptable record is eligible to enter the Foreign Service;
- (b) That his present grade-and-salary level is justified, and he should transfer to the Foreign Service at a substantially equivalent salary level.

The records of present Departmental, Reserve, and Staff officers in "Foreign Service positions" will be reviewed in the light of these presumptions, and this review of the record, supplemented by the evaluations placed on the individual by his supervisors, will be the principal component of the examination process. The oral examination will consist of an interview with a single examiner. This review and examination procedure has already begun.

So far as possible, steps will be taken so that transfers to the Foreign Service officer corps will not prove inequitable to present members of the Foreign Service officer group.

The strengthening of the Foreign Service officer corps through this voluntary transfer will be completed within 2 years.

With exceptions based on individual circumstances, Departmental officers holding "Foreign Service positions" who are unwilling to transfer will be moved to "non-Foreign Service positions" in the Department or assisted to find other employment. The Department will endeavor to minimize the disruption to the careers of such employees. Every effort will be made to complete this phase of the program within 3 years.

Departmental officers not holding positions designated as "Foreign Service positions" may apply for lateral appointment to the expanded Foreign Service officer corps. Their qualifications will be reviewed under the revised lateral entry program.

The Foreign Service officer group, which traditionally has been composed of generalists, will

in the future include specialists to the extent specialists are needed for the conduct of our foreign affairs.

The determination of eligibility for transfer to the Foreign Service officer group, and subsequent assignment within the Service, will recognize the need for including and developing specialists. There will be no discrimination against those who are specialists in rank, compensation, or promotion. Since the successful operation of the several areas of the Department depends heavily upon trained specialists, the availability of suitable replacements will, of course, determine the time and extent to which present officers can be assigned to the field after their entry into the FSO corps. Likewise, future plans for rotation of such personnel between Washington and the field will depend upon the size of the pool of experienced specialists upon which the Department can draw.

Amendment to section 571 (a) of the Foreign Service Act of 1946 will be sought to authorize the Secretary of State to waive the 4-year limitation on the assignment of Foreign Service personnel to the Department where continuity of longer than 4 years is a requirement of the positions to which assigned or where there are other compelling reasons which make it in the Government's interest for personnel to remain longer than 4 years in the United States.

In making assignments of new lateral entrants to overseas posts, care will be exercised to avoid undue disruption of Departmental operations and undue personal or family hardship to the officer concerned. It is not expected, therefore, that Departmental officers will be assigned to overseas posts immediately upon, or even shortly after, their acceptance of FSO appointments.

Foreign Service Categories

The functions of three present categories of the Foreign Service will be modified as follows:

(1) The Foreign Service officer corps will be expanded to staff substantially all officer positions abroad and all "Foreign Service positions" in the home office. The Committee estimated that there will eventually be approximately 3,900 Foreign Service officers based on current budget resources.

(2) The Foreign Service Reserve will continue

for the purpose of making temporary appointments or appointments of persons not yet eligible for lateral entry to the Foreign Service officer corps.

(3) The Foreign Service Staff will be essentially limited to technical, clerical, and custodial personnel in the lower and middle grades.

Recruitment

Recruitment from civil service registers will be limited to "non-Foreign Service positions" in the Department. With rare exceptions, all other recruitment will be to the Foreign Service.

The successful achievement of the integration program will require the full cooperation of all.

Charter Review—Some Pertinent Questions

by Lincoln P. Bloomfield

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A general conference to review the present U. N. Charter will be convened, probably sometime in 1956, if a simple majority at the tenth session of the General Assembly in 1955 so desires. This possibility is provided for by article 109, paragraph 3, of the charter. Amendments to the charter come into force for all members when approved by two-thirds of them, that is to say 40, but in all cases including ourselves, the Soviet Union, the United Kingdom, France, and China. The Great Powers have a veto over amendments. The United States Senate must concur in amendments by a two-thirds vote in order for any amendments to come into effect at all.

The United States has taken the initiative in focusing public attention on this impending event. Secretary Dulles has several times spoken publicly of it and has called on private organizations throughout the land to study the issues and give the Government their advice. Many organizations have responded. In the Senate, the so-called Wiley subcommittee on the U. N. Charter has held public hearings in different sections of the country and has already heard testimony in Washington

from Secretary Dulles and Ambassador Henry Cabot Lodge, Jr.²

The advice to be rendered by the Senate and by most nongovernmental organizations will not be in hand until sometime in 1955. The administration has announced that final United States policies will not be crystallized and made public until it has had the benefit of such advice.

This means that official policies which are finally adopted will, to the greatest possible extent, take account of the collective attitudes and thoughts of a significant spectrum of American opinion. Students of this subject may find a provocative model in the process of developing this consensus, because what may be called an American consensus, while it happily reflects the most deeply shared values of our Nation, also happily does not conform to any single mold or pattern when it comes to the practical application of common principles to international problems. How, then, does one usefully and constructively think about this problem, discover an American consensus, and translate it into official policy and diplomatic action?

¹ Address made before the American Political Science Association at Chicago, Ill., on Sept. 10.

² BULLETIN of Feb. 1, 1954, p. 170, and Mar. 22, 1954, p. 451.

Only the first part of this question yields even a tentative answer at this stage. That answer is being developed in many ways in many places. You would perhaps be surprised at the extent to which the topic of charter review is currently engaging the attention of busy and thoughtful Americans. As I mentioned at the outset, it is the subject of inquiry by a special Senate subcommittee with eminent membership. Within the State Department an increasing amount of effort is being devoted to studies bearing on the problem. Abroad, other governments are beginning to organize their own thinking and, thanks largely to the Carnegie Endowment overseas project, so are private organizations.

Many Things to Many Men

That this subject should exercise a peculiar fascination for so many people at so many levels is a measure, I think, of the unique nature of the United Nations. Despite the very real difficulties it has encountered and the frustrations we have sometimes felt in being a part of it, but equally because of these things, the United Nations conveys a variety of special meanings to widely divergent groups of people.

Many practical and worldly questions arise when we evaluate our experience with the U. N., and these belong at the hard core of scholarly thinking on this subject. But demonstrably, a layer of far less tangible matter surrounds the core. I mean the various potent symbols which the U. N., as an institution and as an idea, has the capacity to represent.

Even those whose interest in international relations is wholly peripheral find in the U. N. a symbol of universal human longing for peace and security. Those who have made a cause of international organization often tend to view the U. N. and its charter as symbolic of that cause, constituting a spiritual and political end in itself which personifies man's triumph over such allegedly atavistic concepts as "power politics" and "isolationism."

Those whose chief emotion is impatience with what is, regard it as a symbol of what could and must be. Those who fear and distrust the world around us frequently see it as a symbol of evil, potentially capable of fatally diluting our most profound indigenous values. And no such cata-

log would be complete before this audience without at least a passing reference to the rather different meanings the U. N. evokes among partisans in the often passionate academic camps labeled "realism" and "idealism."

At another level—within the actual arena of the U. N. itself—symbolism plays a transcendently important role. Two examples will suffice. Can an overwhelming majority vote be rallied on the side of the free nations on a cold war issue? This tells our enemies of our solidarity and our determination. It speaks of present power and, if read with discrimination, potential force. Is a resolution debated which alludes, however vaguely, to the right of self-determination? This invokes all the dynamic passions of the newly independent states, as well as the cautions of those who administer non-self-governing territories. In addition it strikes a chord deep in the American spirit which reverberates dissonantly among the hard surfaces of our varied international responsibilities and commitments.

In this setting it can readily be seen that charter review offers a new focus for the expression of attitudes and desires which reach well below the surface. It is, in this sense, many things to many men. The job of the political scientist, I would suppose, is first to assign full weight to the implications with which every facet of the problem is freighted and then, having done that, to isolate and clearly identify the real and actionable components, divesting them of myth, passion, and fantasy as best one can.

The problem is thus at least in part one of methodology, a word that frightens at least one amateur in your ranks. To me the proper method is to start out with some basic assumptions, set limits to the field of inquiry, and pose the important questions in a way which is meaningful and constructive. For clearly there are as many ways of trying to penetrate this hard and unruly mass of intellectual material as there are political angles of vision—or political symbols.

Foundations and Boundaries

To guide the developing public debate into constructive channels the administration, while making no policy commitments other than to favor the holding of a review conference, has outlined its approach. Secretary Dulles earlier this year set

forth certain propositions as *a priori* assumptions.³ He established certain boundaries to encompass official planning. And he asked some of the questions that are likely to arise at a review conference and as to which he believed there should be an educated public opinion. The material containing the Secretary's statements is readily available to you, and as I do what I was really invited here to do—to ask some pertinent questions—I will be building on the foundation he has laid down.

First of all then, the foundation and the boundaries, as the State Department sees them. What actually is our problem? In the final analysis it is to see if there are changes in the U. N. Charter which would increase the chances for successfully organizing the sort of world we wish to live in.

What propositions do we start with? Here are some of them:

The U. N. is a vitally important instrumentality of American foreign policy. It is a means toward an end and not an end in itself. The ends are asserted in the purposes and principles of the charter, which in themselves constitute a valid restatement of the ideals which guide our own Nation in its long-range international outlook. There are a number of things about the U. N. and its charter that have sorely frustrated the American people. At the same time there is massive support for continued efforts to achieve the purposes embodied in the charter. The charter itself is by no means the villain in every case—it could probably carry as much traffic as the nations can agree upon. Already it has been possible to institutionalize certain practices on which the charter was not explicit. The real breakdowns stem from the pervasive reality of Soviet Communist hostility toward non-Communist society, toward the United States as its leader, and toward all efforts to strengthen the fabric of peace and security which cannot be redirected toward Communist ends.

There may be needful improvements in the charter on which we and friendly nations can agree. We know the Soviets can veto them, but we do not propose to do their negotiating for them in advance. We may have proposals for amendments and we may also have alternative suggestions, out of which one or the other may lead to the substantive objective we seek, particularly if world

opinion crystallizes around sound and reasonable proposals. Our Government sees an opportunity to take an important initiative. It has an open mind as to how best to exercise it. The emphasis at this stage is on *review*, not *revision*. We believe the U. N., as it is, is better than no U. N. at all. We do not think differences about how to strengthen the U. N. should be pressed to the point that the review conference would undermine or disrupt the U. N. An effort to write a brand new charter would open a Pandora's box and make it very hard indeed to reassemble anything resembling the present membership. Politics, in this view, is still the art of the possible.

These propositions are designed to establish a base on which the superstructure can rise. But there is yet another set of dimensions. To change the metaphor, these are the edges of the map on which we wish to plot a course. With our assumptions we have perhaps achieved an agreed scale for the map. If the extreme limits of the map can be defined, some agreed bearings can at least tentatively be located and, in the fullness of time, a course plotted.

Four Extremities

There seem to be four well-defined extremities. At one edge are the proposals to terminate the U. N. as an unsuccessful and possibly dangerous experiment, or at least to withdraw our own participation. At another are proposals to convert it into a tightly knit military alliance, obviously by expelling the Soviet bloc. At the third extreme are proposals to transform the U. N. into some kind of superstate. And at the fourth extreme are the views of those who for varying reasons wish the status to remain absolutely "quo," who see the review conference at best as a "punctuation" exercise, and who would prefer that we not even think about charter review.

So far as the State Department is concerned, Secretary Dulles has stated that he does not believe the first three extreme proposals are within the proper scope of a review conference. The fourth extreme—the status quo—cannot be dismissed offhand. The anxiety that underlies that position is genuine and often commands powerful reasoning. To it one can only reply that it would be a breach of trust with the many countries who were promised another look at the charter after

³ *Ibid.*, Feb. 1, 1954, p. 170.

10 years if, in a spirit of pessimism, we did not undertake a careful review. It would be as well a lack of confidence in our own national sobriety and inventiveness. If there are risks, can it be demonstrated that they clearly outweigh the possible opportunities? Surely, at the very least, there is great intrinsic value in the chance to understand better, through the process of review, the real configurations of this still new and indubitably influential force in world politics.

So we have moved in from the four boundaries to what we believe is a reasonable and manageable area. What does this tell us about how to ask the questions and define the real issues? First of all, it suggests that certain questions are, in this view, closed questions: "Should there be a U. N.?" "Should the U. S. be in it?" "Should it be drastically overhauled?" And—"Should there be a review conference?"

The pertinent questions arise from the broad issues and dilemmas in which they are imbedded. Broadly stated, these issues, and the stresses and strains which make them into issues, seem to me as follows:

The one that underlies all others is the profound hostility of world communism to the very concept of cooperation as we understand the word. The effort to create a "world community" confronts the inescapable truth that a community by definition consists of those who recognize that they share common interests which combine to form a general interest. This does not mean everyone must agree. It does suggest the expectation that each member will have a bona fide interest in furthering the community's collective purposes. When the U. N. Charter was drafted, it was supposed that, after the frightfulness of war, even the Soviet rulers would find it in their best interests to cooperate to keep the peace. Their performance has invalidated this assumption, and we recognize with lucidity the grave problems facing an organization whose effective functioning depends in some measure on cooperation with a regime dedicated to world domination.

Yet at the same time we have found it useful to have an organization which is, generally speaking, universal. It is clearly in our own interest to have an organization in which the free world meets the Communist world, remembering, of course, that some regimes such as the Chinese Communists so disregard accepted standards of

international conduct that they cannot properly be brought into organized international life. Anything short of an approximately universal organization would appear to many to forfeit the claim to be a world organization and would probably lose the support of many nations who set great store by an organization which does not require them to choose sides, wherever their real sympathies may lie. We ourselves have reaped important advantages from having this common meeting ground. We find it of tremendous value in presenting this country's views to the world as a whole. We may find it invaluable for dealing with the Soviets should they decide their real interests lie in peaceful cooperation instead of world domination.

Scope of Membership

With this as a backdrop, the first concrete issue concerns the scope of membership in the organization. The charter prescribes that membership is open to peace-loving states which accept the obligations contained in the charter and are able and willing to carry out these obligations. Nineteen applicants are awaiting admission. Fourteen of them have received a clear majority of votes but have been vetoed a total of 29 times by the Soviet Union. The other 5 states—or rather 4 states and Outer Mongolia—sponsored by the Soviets, have never received a majority of votes. In the light of this stalemate one must ask: Does article 4 express the desirable standards for admission? And should we implement the Vandenberg Resolution of 1948 by proposing the elimination of the veto on admission of new members?

Another major issue is how nations in today's world can organize for collective action to keep the peace. In an age of profound tensions and tremendous concentrations of power—an age, that is to say, of collective insecurity—the question of collective security is paramount. In drafting the charter it was apparent that the powers which would have the greatest responsibility would be unwilling to be committed to armed action without their consent. This was certainly true of the U. S., and anything else would have been unthinkable under our constitutional processes. Given the emergence after the war of only a handful of nations with really decisive power in the world, it was supposed that unless they were in

agreement, action against an aggressor was impossible. Hence the Big Power veto in the Security Council on peace-enforcement action.

From the vantage point of 1954 we see that it has been possible to explore some untapped resources in the charter. We ourselves have taken the lead in building into the veto-free General Assembly some means, however imperfect, for taking collective action against aggression. How can we continue to develop truly effective machinery for collective defense against aggression within a world organization that must reflect the world as it is, not as we should like it to be? Should the Security Council formally yield its responsibility for the maintenance of peace and security to the General Assembly, or to regional and other collective defense arrangements authorized by the charter?

Of course, in blueprinting more effective and automatic methods of collective security action, we must always ask how far we ourselves are prepared to go and how much freedom of action we are willing to surrender in exchange for an equal willingness on the part of other nations. In this connection we recall that in the General Assembly each nation has only one vote. If the Assembly is to acquire greater responsibilities, a basic question will be whether the "one nation, one vote" formula is adequate in the face of vastly different scales of responsibility as among nations for action to keep the peace. If it is not adequate, how can it be improved upon? Should there be some form of weighted voting to reflect more realistically the actual distribution of power?

Peaceful Settlement of Disputes

Another major issue flows from the last one. It is not always a question of wars. And it is not always a question involving the hostility of world communism. There are disputes and situations threatening the peace which result from clashes of the interests or the prestige of nations. The search for methods of peacefully settling such disputes must continue. Already real progress has been made in our lifetime. The record of the U. N. is good, always remembering that in the disputes which have been pacified there was a willingness on both sides at least to consider peaceful solutions that saved the face of both.

There is of course a Great Power veto on the peaceful settlement of disputes. But for our

strenuous objections there might have been a veto over free discussion of the cases, and also as a consequence of Western exertions at San Francisco a party to a dispute, whether a Great Power or not, cannot vote on that case. But as a result of the gross abuse of the veto power by the Soviet Union, the General Assembly has more and more been the forum before which disputes and situations are brought, just as it is the organ to which this country and others have turned increasingly for developing collective defenses against aggression.

Can we devise more effective methods of getting parties to settle their disputes peacefully and to abide by the judgments of international bodies? Should we also here implement the Vandenberg Resolution calling for elimination of the veto on pacific settlement matters? How can we get a rule of law to which nations will subscribe in their own best interests? What can be done to encourage the real development of international law in the face of the profound clash of value systems in the world?

In thinking about disputes and situations threatening the peace we must bear in mind the new dimension this problem has today. Alongside the traditional quarrels of sovereign nations are the problems arising out of the breakup of colonial empires and the dynamic drive of dependent territories toward self-government and equal treatment. More and more these questions take the center of the stage in the U. N. The Trusteeship Council was designed to deal with the administration of trust territories, and its composition was carefully balanced between nations with the responsibility of administration and nations without that responsibility. But apart from trust territories there are many dependent territories administered chiefly by our closest friends among Western European and British Commonwealth nations. The tensions and passions arising from these changing relationships are focused largely on the Assembly, where many newly freed nations and their supporters give these so-called colonial issues their primary attention.

Social and Economic Problems

In addition to its specific functions directed toward keeping the peace and conciliating political and territorial disputes among nations, the U. N. is a forum for a host of worldwide social and eco-

conomic as well as political problems. Although the specialized agencies and the Economic and Social Council were created to deal with these problems, increasingly they have been issues in the Assembly.

Thus, alongside its growing functions in the field of security and peaceful settlement, the Assembly deals with colonial issues, world price levels and full employment, human rights and freedom of information, food surpluses and economic development, and a host of other diverse matters. As we noted earlier, many of those have become vital symbols of the aspirations of less-favored nations, sometimes putting in the shadows what are to us overriding problems of peace and security. Our own record of support for self-government or independence of dependent peoples is one of which we have no cause to be ashamed. We have a vital interest in seeing that there is adequate machinery to assist in the process of peaceful change and to direct into orderly and constructive channels the explosive pressures built up in this field. We also attach tremendous importance to the possibilities of constructive cooperation for economic and social betterment of peoples. With all this in mind, is there a better way of organizing the work of the U. N., and between the U. N. and the specialized agencies to avoid duplication, confusion, lack of controls, and what might be called organizational exacerbation of tensions?

The next major issue stems from the last and has to do with the scope and powers of the U. N. itself. We see that it has become a forum and in some cases an action body for a whole gamut of world problems, social and economic as well as political. The question of scope is not limited to the General Assembly's powers and jurisdiction, although the question arises there most frequently. Article 2 (7) of the charter restrains the U. N. as a whole from intervening in matters essentially within the domestic jurisdiction of a state. This

has become a prime issue. Nations which are impatient with conditions elsewhere are increasingly inclined to overlook the distinction. This is a very dangerous path and endangers the whole foundation of the organization, which after all was joined voluntarily by sovereign states for the pursuit of common interests that are clearly defined in the charter. Where should the line be drawn? Is it now adequately drawn?

Regulation of Armaments

In one sense overshadowing all other issues is the question of regulation of armaments. This cannot be dealt with in a vacuum. Real disarmament can come about only when it is in the interest of all to disarm. But the present arms race is unique in the unimaginable destructiveness of modern weapons. Every avenue must be explored. Perhaps alterations in the charter will do nothing to change the motivation of the Soviet Union, whose avowed hostility is the prime cause of our own rearmament efforts. But we cannot afford not to try. We continue to believe that it is in the clear interest of all nations (including ourselves) to submit to a universal scheme of safeguarded disarmament. Is the U. N. susceptible of any improvements which would make their own self-interest in this goal even more manifest to all nations? Are there any changes in the charter that would enhance the prospect of successfully dealing with this monumental issue—the creation of a new major organ, for example.

These seem to me to be the basic issues. They are the principal areas of stress and strain as we have experienced them in 9 years of operation. Thoughtful and realistic consideration of these issues can carry us a long way on the path of understanding the problems of charter review.

The Refugee Relief Act of 1953 as Amended

by Frank L. Auerbach

With the President's signature on August 31, 1954, amendments to the Refugee Relief Act of 1953¹ became effective which in general liberalize the relief measure significantly. These amendments,² passed in the closing days of the 83d Congress, (1) permit special nonquota visas authorized for certain persons of Italian, Greek, or Dutch origin to be issued to applicants in either the refugee or relative preference group, according to the current demand; (2) remove in the case of eligible orphans the requirement that the country of visa issuance furnish a certificate guaranteeing readmission if the visa was secured fraudulently; (3) broaden the definition of refugees within the United States who may adjust their status to that of permanent residents being unable to return to the country of their birth, nationality, or last residence because of fear of persecution, and include within this group aliens brought from other American Republics for internment during World War II; and (4) require the submission of certificates of housing and employment in the case of Italian, Greek, and Dutch relatives who are issued visas from the number originally allotted to Italian, Greek, or Dutch refugees.

The Refugee Relief Act, hailed by the President at the time of its enactment in August 1953 as a significant humanitarian act and an important contribution toward a greater understanding and cooperation among the free nations of the world, permits 214,000 aliens to become permanent

residents of the United States. Of these, 205,000 are refugees from Communist persecution and natural calamity and close relatives of American citizens and of permanent resident aliens in the United States; 4,000 are orphans; and 5,000 are aliens who have come to the United States as non-immigrants and, under the conditions specified in the law, are permitted to acquire permanent residence status if they cannot return abroad because of persecution or fear of persecution on account of race, religion, or political opinion.

Immigrant visas authorized under the Refugee Relief Act are in addition to those authorized under the Immigration and Nationality Act. They may be issued until December 31, 1956.

Classes of Aliens Eligible for Relief

In defining the classes of aliens who may benefit under its provisions, the law differentiates between "refugees" and "escapees."

"Refugee" means any person in a country or area which is neither Communist nor Communist-dominated who because of persecution, fear of persecution, national calamity, or military operations is out of his usual place of abode and unable to return thereto, who has not been formally resettled, and who is in urgent need of assistance for the essentials of life or for transportation. "Escapee" means any refugee who, because of persecution or fear of persecution on account of race, religion, or political opinion, fled from the Union of Soviet Socialist Republics or other Communist, Communist-dominated, or Communist-occupied areas of Europe, including those parts of Germany under military occupation of the U.S.S.R., and who cannot return thereto because of fear of per-

Editor's Note. This article brings up to date Mr. Auerbach's article entitled "The Refugee Relief Act of 1953," which appeared in the *Bulletin* of Aug. 24, 1953, p. 231.

¹ Public Law 203, 83d Cong.

² Public Law 751, 83d Cong.

secution on account of race, religion, or political opinion.

The following classes of aliens, if otherwise qualified, may be issued special nonquota visas:

1. *German Expellees*—A total of 55,000 visas may be issued to German expellees residing in the area of the German Federal Republic, in the western sector of Berlin, or in Austria. German expellees are refugees of German ethnic origin who were born in and were forced to flee from Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, Union of Soviet Socialist Republics, Yugoslavia, or areas provisionally under the administration or control or domination of any such countries, except the Soviet Zone of military occupation of Germany.

2. *Escapees in Germany and Austria*—A total of 35,000 visas may be issued to escapees residing in the area of the German Federal Republic, the western sector of Berlin, or Austria.³

3. *Escapees in NATO Countries*—A total of 10,000 visas may be issued to escapees residing within the European continental limits of the member nations of the North Atlantic Treaty Organization (NATO), or in Turkey, Sweden, Iran, or in the Free Territory of Trieste who are not nationals of the area in which they reside.³

4. *Polish Veterans*—A total of 2,000 visas may be issued to refugees who during World War II were members of the armed forces of the Republic of Poland and were honorably discharged from these forces, and who resided on August 7, 1953, in the British Isles and have not acquired British citizenship.

5. *Italian Refugees*—A total of 45,000 visas may be issued to refugees of Italian ethnic origin who resided on August 7, 1953, in Italy or in the Free Territory of Trieste. In addition, the 15,000 visas authorized for issuance to Italian relatives, described in the following paragraph, may be made available to Italian refugees.

6. *Italian Relatives*—A total of 15,000 visas may be issued to persons of Italian ethnic origin

who resided on August 7, 1953, in Italy or in the Free Territory of Trieste who, being close relatives of American citizens or of aliens lawfully admitted for permanent residence, are entitled to preference quota status under the provisions of the Immigration and Nationality Act.⁴ In addition, the 45,000 visas authorized for issuance to Italian refugees, described in the preceding paragraph, may be made available to Italian relatives. The provision of the amended act that the original quota allocation for refugees and relatives may be made available interchangeably to both classes of aliens will benefit primarily Greek and Italian relatives. As of September 3, 1954, the original allotment of 15,000 visas to Italian relatives was virtually exhausted, with approximately 20,000 additional relative applications on file. Developments indicate that the 45,000 visas originally allotted to Italian refugees will not be used up by this group so that the unused portion of these visas will be available to Italian relatives. A similar situation exists in regard to Greek refugees and relatives. On the other hand, it does not appear likely that the allotment for Dutch relatives and refugees will be exhausted by either group inasmuch as the regular immigration quota of the Netherlands is adequate to meet the demand of nearly all current Dutch relative applications.

7. *Greek Refugees*—A total of 15,000 visas may be issued to refugees of Greek ethnic origin who resided on August 7, 1953, in Greece. In addition, the 2,000 visas authorized for issuance to Greek relatives, described in the following paragraph, may be made available to Greek refugees.

8. *Greek Relatives*—A total of 2,000 visas may be issued to persons of Greek ethnic origin who resided on August 7, 1953, in Greece who, being close relatives of American citizens or of aliens lawfully admitted for permanent residence, are entitled to preference quota status under the provisions of the Immigration and Nationality Act.

⁴Relatives entitled to preference quota status are parents of American citizens; spouses and children of aliens lawfully admitted for permanent residence; brothers and sisters of American citizens; and sons and daughters of American citizens who are married or 21 years of age or older. Unmarried children of American citizens who are under 21 years of age are not subject to quota restrictions. For an analysis of the provisions of the Immigration and Nationality Act, see BULLETIN of Feb. 2, 1953, p. 195, and Feb. 9, 1953, p. 232.

³Many escapees under the jurisdiction of the Office for Refugees, Migration and Voluntary Assistance of the Foreign Operations Administration are expected to qualify for the benefits of this provision. The Administrator of the Refugee Relief Program cooperates closely with the Director of that Office in the Foreign Operations Administration to facilitate processing for resettlement of these escapees.

In addition, the 15,000 visas authorized for issuance to Greek refugees, described in the preceding paragraph, may be made available to Greek relatives.

9. *Dutch Refugees*—A total of 15,000 visas may be issued to refugees of Dutch ethnic origin who resided on August 7, 1953, in the continental Netherlands. In addition, the 2,000 visas authorized for issuance to Dutch relatives, described in the following paragraph, may be made available to Dutch refugees.

10. *Dutch Relatives*—A total of 2,000 visas may be issued to persons of Dutch ethnic origin who resided on August 7, 1953, in the continental Netherlands who, being close relatives of American citizens or of aliens lawfully admitted for permanent residence, are entitled to preference quota status under the provisions of the Immigration and Nationality Act. In addition, the 15,000 visas authorized for issuance to Dutch refugees, described in the preceding paragraph, may be made available to Dutch relatives.

11. *Far East Refugees (Non-Asian)*—A total of 2,000 visas may be issued to refugees residing within the district of an American consular office in the Far East who are not indigenous to the Far East.

12. *Far East Refugees (Asian)*—A total of 3,000 visas may be issued to refugees residing within the district of an American consular office in the Far East who are indigenous to the Far East.

13. *Chinese Refugees*—A total of 2,000 visas may be issued to refugees of Chinese ethnic origin whose passports for travel to the United States are endorsed by the Chinese Nationalist Government or its authorized representatives.

14. *Arab Refugees*—A total of 2,000 visas may be issued to refugees who on August 7, 1953, were eligible to receive assistance from the U.N. Relief and Works Agency for Palestine Refugees in the Near East.

15. *Orphans*—A total of 4,000 visas may be issued to eligible orphans who are under 10 years of age at the time the visa is issued. A child qualifies for a visa as an orphan only if the quota to which he would otherwise be chargeable is oversubscribed and if he has been lawfully adopted abroad by an American citizen and spouse or if a U.S. citizen and spouse have given assurances that once he is admitted to the United States, they

will adopt him in the United States and will care for him properly. A child is considered an orphan only if he has lost both parents through death, disappearance, abandonment or desertion, or separation, or if he has lost one of his parents due to one of these circumstances and the remaining parent is incapable of providing proper care and has released the child irrevocably for emigration.

16. *Nonimmigrants in the United States*—A total of 5,000 nonimmigrants in the United States may apply before July 1, 1955, to the Attorney General for adjustment of their status to that of aliens lawfully admitted for permanent residence if they can show that they either: (a) lawfully entered the United States prior to July 1, 1953, as bona fide nonimmigrants and are unable to return to the country of their birth, or nationality, or last residence because of persecution or fear of persecution on account of race, religion, or political opinion; or (b) were brought to the United States from other American Republics for internment.

Included in the number of visas authorized for each of the groups listed above in categories (1) to (14) are the husband, wife, and unmarried minor sons and daughters who accompany the principal applicant. Stepsons and stepdaughters, as well as sons and daughters adopted before July 1, 1953, are also eligible to receive visas. For example, a German expellee who qualifies for a visa under the act may—within the numerical limitation described above—bring with him his wife and child regardless of the fact that they are not themselves expellees; and a person of Italian ethnic origin who, as the brother of an American citizen, is entitled to fourth-preference quota status may bring with him his wife and children although they themselves are not entitled to such preference quota status.

Place of Visa Issuance

Visas authorized under the Refugee Relief Act as a rule may be issued to each class of aliens only in the area specified in the law for each class. For example, visas authorized for German expellees may be issued only in the German Federal Republic, in the western sector of Berlin, or in Austria; visas authorized for Dutch relatives or refugees may be issued only in continental Netherlands. This rule does not apply in the case of Polish war veterans, Chinese refugees, and orphans; visas for

persons in these categories may be issued wherever an application is properly received by an American consular officer.

Security Provisions

The Refugee Relief Act is an emergency relief measure designed to implement certain phases of American foreign policy; it is not an amendment to the Immigration and Nationality Act. Thus, an alien applying for a visa and for admission into the United States under the new measure must be found eligible under the provisions of the Immigration and Nationality Act.⁵

The new act provides for the following additional safeguards in the interest of the security of the United States:

1. Each applicant for a visa, except an orphan, must have documents assuring his readmission to the country of his nationality or foreign residence, or to the place where he obtains his visa, in the event he is denied admission to the United States or, after entry to this country, is found to have obtained a visa by fraud or by misrepresenting a material fact.

2. A thorough investigation and written report concerning each applicant for a visa by an investigative agency of the U.S. Government are required before a visa may be issued.

3. Each applicant, in addition to being examined by a consular officer for his eligibility to receive a visa, is examined abroad, as well as at the time of arrival in the United States, by an officer of the Immigration and Naturalization Service concerning the question of his admissibility. Issuance of a visa is prohibited unless complete information is available regarding the history of the applicant covering a period of at least 2 years immediately preceding his application. Exceptions are provided in national interest cases.

4. Each alien before being issued a visa must subscribe an oath or affirmation that he is not and has never been an anarchist, Communist, or a member of the Communist Party or any other party or organization proscribed for the purposes of the immigration laws.

5. Visa issuance is prohibited to any person who personally advocated or assisted in the persecution

of any person or group of persons because of race, religion, or national origin.

6. An alien may be issued a visa and admitted to the United States only if his eligibility is clearly established on the basis of affirmative evidence.

Commenting on the security provisions of the measure when it was considered by the House of Representatives, Scott McLeod, Administrator, Bureau of Inspection, Security and Consular Affairs, Department of State, in a letter to Rep. Patrick J. Hillings of California,⁶ stated in part:

Under the Immigration and Nationality Act the consul may withhold the visa only if he knows or has reason to believe that the applicant is inadmissible under one or more excluding provisions of the act. Under the provisions of the act now being considered, the consul may withhold the visa on the mere basis that sufficient information is not available to determine, reasonably, the applicant's eligibility and admissibility. The security provisions under the proposed act are stronger than under any present or former immigration laws. Any doubt that may exist will be resolved against the applicant and in favor of the United States.

Assurances and Certificates

As a rule, assurances by a citizen or citizens of the United States must be submitted for each refugee wishing to benefit from the Refugee Relief Act. Such assurances must show that the alien will be suitably employed without displacing some other person from employment, and that he and the members of his family will not become public charges and will have housing without displacing some other person from such housing. The assurance of employment is required for the principal applicant but not for his spouse or unmarried minor sons and daughters. Assurances are acceptable only if they are submitted by a responsible individual citizen or citizens. So-called "blanket assurances" are not considered satisfactory. The law specifies that each assurance is a personal obligation of the individual citizen or citizens giving or submitting it. In giving an assurance the assurer may act in his own behalf, in behalf of a church, welfare agency, or other bona fide group of citizens, or in behalf of a noncitizen.

The assurances of employment and housing and against his becoming a public charge have a special value to the immigrant because they guarantee

⁵ For a listing of classes of aliens ineligible to receive visas and excludable from the United States under the Immigration and Nationality Act, see BULLETIN of Feb. 9, 1953, p. 234.

⁶ *Cong. Rec.* of July 28, 1953, p. 10364.

that adequate plans have been made for him and his family before their departure from abroad.

In the case of Italian, Greek, and Dutch relatives who are issued visas from the number of visas originally allotted to Italian, Greek, and Dutch refugees, a certificate of employment and housing must be presented to the responsible consular officer showing that the alien will have in the United States suitable employment and housing without displacing any other person therefrom. In the case of Italian, Greek, and Dutch relatives of American citizens and of aliens lawfully admitted for permanent residence who are issued visas from the number originally allotted to them, any satisfactory evidence that they will not become public charges is acceptable.

In the case of orphans special assurance forms are prescribed showing that if admitted to the United States the orphan will be cared for properly, and, if not yet adopted abroad, will be adopted in this country.

Special assurance and certificate forms have been prescribed by regulations and may be obtained from the Visa Office of the Department of State, from any district office of the Immigration and Naturalization Service, or from any voluntary or other recognized agency which performs services in connection with the immigration, settlement, or welfare of aliens.

Visa Priorities

If more aliens apply for issuance of visas than can be handled currently on a day-by-day basis, priority is given to consideration of:

1. Persons whose services or skills are needed in the United States and who are to be employed in a capacity calling for such services or such skills; and to
2. Persons who are parents of American citizens; husbands, wives, and unmarried minor sons and daughters of aliens lawfully admitted for permanent residence, including stepsons, stepdaughters, and sons and daughters adopted before July 1, 1953; and brothers, sisters, sons, and daughters of American citizens.

The fact that an alien may have been found preliminarily eligible under the Displaced Persons Act of 1948, as amended, does not confer on him a right to privileged consideration of his case under the new law.

Intergovernmental Arrangements and Loans

The Secretary of State is authorized to make arrangements with foreign governments and the Intergovernmental Committee for European Migration for the purpose of financing the overseas transportation of persons who may be issued visas under the act. Such arrangements, which should be mutually beneficial to the economies of the United States and the countries concerned as well as to the prospective immigrant, should seek to enable these persons to transfer into dollar currency personal assets necessary for defraying the cost of transportation and for use in the United States.

Loans not to exceed 5 million dollars may be made by the Secretary of the Treasury to public or private agencies of the United States for the purpose of financing the transportation from ports of entry in the United States to the places at which persons receiving visas under the act are to be resettled. Such loans will mature not later than June 30, 1963, and bear 3 percent interest on the unpaid balance from the maturity date until final payment.

Administration of Refugee Relief Act

Primary responsibility for the administration of the Refugee Relief Act and the coordination of activities of the various government agencies participating in the administration rests with the Administrator of the Bureau of Inspection, Security and Consular Affairs of the Department of State. The Administrator is responsible for the allocation of funds among the various agencies of the Government concerned with the operations of the refugee relief program. He also supervises the activities of the various divisions within the Department of State and of the Foreign Service as far as they relate to the program.

Assurances of employment, housing, and against becoming a public charge are to be submitted to the Administrator, who verifies their authenticity and bona fides and then forwards them to the appropriate consular office abroad. Certificates of employment and housing in the case of Italian, Greek, and Dutch refugees are to be submitted directly to the appropriate consular officer. Responsibility for the final acceptance and approval of the assurances and certificates rests with the consular officers and immigration officers.

With the Administrator acting as a coordinator, five agencies of the Government, in addition to the Department of State, participate in the administration of the act.

The Immigration and Naturalization Service of the Department of Justice has sent abroad a group of immigration officers who are attached to the consular offices operating under the program and who inspect the aliens abroad to determine their admissibility into the United States. The adjustment of status to that of permanent resident aliens of 5,000 nonimmigrants in the United States is exclusively within the jurisdiction of the Immigration and Naturalization Service.

The U.S. Employment Service and its affiliated State employment services make findings and recommendations with regard to the authenticity and bona fides of assurances of employment. Overseas representatives of the U.S. Employment Service determine aliens' occupational skills and their suitability to fill job orders.

The U.S. Public Health Service is responsible for the medical examination of aliens applying for visas under the act, as it is under the regular immigration laws.

The Counterintelligence Corps of the Department of the Army conducts security investigations concerning visa applicants in areas where it functions.

The Department of the Treasury, as stated above, makes loans for the financing of inland transportation of immigrants.

The Administrator of the Bureau of Inspection, Security and Consular Affairs is required to report to the President and the Congress on the operations of the Refugee Relief Act semiannually and to submit a final report not later than June 15, 1957. On July 27, 1954, the Administrator appointed Antonio A. Micocci as Deputy Administrator for the Refugee Relief Program, succeeding Robert C. Alexander, who had held this position from its inception until his retirement. The Deputy Administrator carries major responsibilities for the coordination and administration of the act.

The Department of State and the other agencies of the U.S. Government entrusted with the administration of the Refugee Relief Act have issued regulations, instructions, and forms in implementation of the act. Specific information on the procedure to be followed in bringing aliens to the

United States under the act may be obtained from American consular officers abroad or from the Visa Office, Department of State, Washington 25, D.C.

Requests for information concerning the adjustment of status of nonimmigrants already in the United States may be addressed to any office of the Immigration and Naturalization Service, Department of Justice.

Cooperation With State and Voluntary Agencies

In an effort to bring the provisions of the Refugee Relief Act to the attention of the American community, the Administrator of the Refugee Relief Program has enlisted the cooperation of voluntary agencies active in the field of immigration and resettlement of aliens. Twenty-five such agencies have so far been recognized—five for the program as a whole and 20 for all phases of the program except that relating to orphans. A list of these agencies is appended.

In response to a recent request by President Eisenhower,⁷ who in 1953 had personally urged the enactment of the Refugee Relief Act, 33 Governors have agreed to organize committees for the purpose of obtaining employment, housing, and assistance in the resettlement for aliens who will come to this country under the act. These Governor's Advisory Committees for Refugee Relief are functioning or are in the process of organization in the following States: Alabama, Arizona, Arkansas, California, Connecticut, Delaware, Georgia, Idaho, Indiana, Iowa, Louisiana, Maryland, Massachusetts, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, Nebraska, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Utah, Vermont, Washington, Wisconsin, Wyoming.

APPENDIX

Recognized Voluntary Agencies as of September 9, 1954

1. American Aid for Expellees and Immigration,*
11 Paterson Street,
Newark, N.J.

⁷ BULLETIN of Aug. 16, 1954, p. 239.

*Nonorphan cases only.

2. The American Branch of the International Social Service, Inc.,
345 East Forty-sixth Street,
New York 17, N.Y.
3. American Committee for Resettlement of Polish DPs,*
1520 West Division Street,
Chicago 22, Ill.
4. American Federation of International Institutes, Inc.,*
11 West Forty-second Street,
New York 36, N.Y.
5. The American Fund for Czechoslovak Refugees, Inc.,*
1775 Broadway, Room 607,
New York 19, N.Y.
6. American Latvian Association in the United States, Inc.,*
3220 Seventeenth Street, NW.,
Washington 10, D.C.
7. American National Committee To Aid Homeless Armenians,
207 Powell Street,
San Francisco 2, Calif.
8. American Resettlement Council for Italian Refugees,*
136 West Fifty-second Street,
New York, N.Y.
9. Baptist World Alliance Relief Committee,*
Displaced Persons Resettlement Program,
1628 Sixteenth Street, NW.,
Washington 9, D.C.
10. Calvinist Resettlement Service of the Christian Reformed Church,*
816 Sigsbee Street, Southeast,
Grand Rapids 6, Mich.
11. Catholic Committee for Refugees,
265 West Fourteenth Street,
New York 11, N.Y.
12. Church World Service,
215 Fourth Avenue,
New York 3, N.Y.
13. Federation of Russian Charitable Organizations of the United States,*
376 Twentieth Avenue,
San Francisco 21, Calif.
14. Greek American Progressive Association,*
39 Broadway,
New York, N. Y.
15. International Rescue Committee, Inc.,*
62 West Forty-fifth Street,
New York 36, N. Y.
16. National Lutheran Council,*
21 East Twenty-sixth Street,
New York 10, N. Y.
17. Order of Ahepa, Refugee Relief Committee,*
16 Beaver Street,
New York 4, N. Y.
18. Romanian Welfare, Inc.,*
18 East Sixtieth Street,
New York 22, N. Y.
19. Tolstoy Foundation, Inc.,*
300 West Fifty-eighth Street,
New York 19, N. Y.
20. United Community Services of Metropolitan Detroit,
51 Warren Avenue,
Detroit 1, Mich. (Michigan cases only)
21. United Friends of Needy and Displaced People of Yugoslavia, Inc.,*
487 Onderdonk Avenue,
Brooklyn 37, N. Y.
22. United Hias Service, Inc.,
425 Lafayette Street,
New York 3, N. Y.
23. United Ukrainian American Relief Committee,*
P. O. Box 1661,
Philadelphia, Pa.
24. War Relief Services,
National Catholic Welfare Conference,
149 Madison Avenue,
New York 16, N. Y.
25. Aid Refugee Chinese Intellectuals, Inc.,*
1790 Broadway,
New York 19, N. Y.

● *Mr. Auerbach, author of the above article, is Special Assistant to the Director, Visa Office, Department of State.*

Review Hearings on GATT

*Statement by Samuel C. Waugh
Assistant Secretary for Economic Affairs¹*

In a message to Congress on March 30, 1954,² the President stated his intention to renegotiate the organizational provisions of the GATT and to submit the results of this renegotiation to the Congress for its approval. He stated further that the United States will "suggest to other contracting parties revisions of the substantive provisions of the agreement to provide a simpler, stronger instrument contributing more effectively to the development of a workable system of world trade."

As directed by the President, the United States delegation, which included representatives of the appropriate agencies of the executive branch, discussed the merits of a review of the agreement with other GATT adherents. There was general agreement that a review of the agreement in the light of experience since it was first put into effect

¹ Made at the opening of review hearings on the General Agreement on Tariffs and Trade at Washington, D. C., on Sept. 13 (press release 507).

² BULLETIN of April 19, 1954, p. 602.

*Nonorphan cases only.

in 1948 is now appropriate, and the review is scheduled to open in Geneva on November 8.

The hearings which we are opening this morning are being conducted to obtain the views of interested Americans regarding this review of the GATT. These views together with the written statements submitted will be given careful consideration in the formulation of the United States position and instructions to the United States delegation.

It is the practice of the executive branch in the field of economic foreign policy to draw upon the specialized knowledge and skills of those agencies concerned with various aspects of our policy. In consequence, the Departments of Treasury, Commerce, and Agriculture as well as State are represented on this panel, and these and other agencies also participate in the formulation and execution of our economic foreign policy. The panel membership also includes members of the Congress and representatives of the public.

While the United States and other countries participating in the GATT review may suggest changes in any of the provisions of the agreement, the problems which are of most importance have been listed in the press release of August 21 announcing these hearings.³ They are the following:

1. The organizational provisions of the GATT.
2. The problem of special treatment for underdeveloped countries.
3. The problems arising out of agricultural quotas and export subsidies.
4. The provisions relating to the imposition of import restrictions for balance of payments reasons.
5. The provisions relating to the duration of tariff concessions.

A word or two about each of these problems may be helpful.

Organization

The contracting parties to the General Agreement on Tariffs and Trade now have no regular organization to apply their agreement nor has the GATT a permanent secretariat. In order to apply the agreement, the contracting parties now rely on transacting business at periodic meetings and on exchanges of views through diplomatic

channels. Between regular sessions of the contracting parties, recommendations on items of urgent business are developed by an International Committee consisting of a limited group of GATT countries, including the United States. There is a general feeling among the contracting parties that the GATT as now constituted lacks effective organizational arrangements to deal on a continuing and prompt basis with the many problems which arise in the field of international trade.

The question now confronting governments in the GATT is what to do about this situation. Many countries would like to establish a permanent organization with an adequate secretariat. The question before us is: What should be the structure of such an organization, and what functions and powers should it have?

Underdeveloped Countries

The less economically developed countries aspire to accelerate their industrialization. Many feel that their tariffs were set without regard for such needs and, in consequence, that they are at a relative disadvantage in following trade rules identical with those followed by the industrially advanced countries. In general, such countries wish to be free to apply such measures as quantitative restrictions and higher duties in order to facilitate the development and growth of new industries.

The interests of the United States and of free-world security would be advanced by a more rapid and sound economic development of these countries. Even from a purely trade point of view, the more economically advanced countries with higher living standards are generally better customers.

There are now special provisions in the GATT relating to the treatment of underdeveloped countries. The question is: To what extent can the GATT provisions be responsive to the needs of underdeveloped countries without being unduly prejudicial to the trade interests and economies of other countries or affording uneconomic protection to special interests?

Agricultural Provisions

While the GATT now contains provisions on agricultural import quotas and export subsidies, many countries in the GATT feel that these provisions are inadequate.

³ *Ibid.*, Aug. 30, 1954, p. 310.

The United States has itself a twofold interest in agricultural provisions in the GATT. On the one hand, it wishes to assure itself adequate leeway to take such measures as may be necessary to prevent imports from impairing its domestic farm programs. On the other hand, it wishes to protect its agricultural exports against arbitrary and restrictive measures which might be imposed by other countries.

The problem is to find means of dealing with this matter in a way that satisfies these dual objectives. What provisions should the GATT contain which, while giving countries adequate latitude to safeguard their domestic programs, at the same time provide reasonable protection to exporting interests? What provisions could be adopted which would be fair and equitable both to countries needing to resort to agricultural import quotas and export subsidies and to countries which might be affected by such measures?

Import Restrictions

The GATT now permits countries to apply import restrictions for balance-of-payments reasons. Such restrictions are intended to conserve a country's foreign exchange. During the postwar period when countries were short of foreign currencies and found it impracticable to take other corrective measures, they extensively applied restrictions on imports in order to limit the drain on their monetary reserves and protect their external financial position. Since imports from the United States and other hard currency areas required payment in American dollars or other exchange which was lacking, imports from such areas were particularly subject to restrictions. The problem is to ascertain what changes, if any, are desirable in the light of the improved payments position of many of the more highly developed countries of the world.

Tariff Concessions

One of the contributions which it is felt the GATT has made is the provision of a substantial stability in tariff levels throughout the world. These tariff commitments have had the effect of restraining arbitrary, sudden, and sweeping increases in rates adversely affecting the interests of other countries.

The GATT, however, contains a provision which would permit countries unilaterally to increase

duties after a certain date. This provision has never come into operation, the date having been extended on two occasions, the latest extension expiring on June 30, 1955.

The United States and other countries are concerned that there be no unraveling of the tariff concessions and a consequent upsetting of the wide measure of tariff stability which has been achieved. There is also concern that the agreement provide adequate flexibility to meet exceptional circumstances which countries may face. The problem, therefore, is to find a way of providing such flexibility and still preserve the stability of tariff rates achieved under the GATT.

The forthcoming negotiations may well decide not only the future of GATT but also the future of free-world trade policy. We must seek to formulate a policy we can live with—one which makes it possible for us and our friends abroad to work toward an expansion of mutually profitable world trade.

Rejection of Higher Duties on Hand-Blown Glassware

White House Office press release dated September 9

The President on September 9 declined to accept the recommendations of three members of the U.S. Tariff Commission for higher duties on certain hand-blown glassware.

The Tariff Commission made an investigation into the effect of trade agreement concessions on hand-blown glassware pursuant to section 7 of the Trade Agreements Extension Act. In its report¹ the Commission was equally divided. Three Commissioners found that certain hand-blown glassware is being imported into this country in such increased quantities as to threaten serious injury to the domestic industry producing like or directly competitive products. The other three Commissioners found no basis for recommending increased duties. Under the law such split decisions are forwarded to the President for resolution.

The President, in identical letters to Senator Eugene D. Millikin, Chairman of the Finance

¹ Copies of the Tariff Commission report may be obtained from the U.S. Tariff Commission, Washington 25, D. C.

Committee, and Representative Daniel A. Reed, Chairman of the House Ways and Means Committee, stated his belief that "the fundamental cause of the difficulties of this industry lies in competition offered by machine-made glassware to both imported and domestic handmade ware." In his view the problems experienced by domestic producers in recent years have not been the result of the trade agreement duty concession but mainly of the technological change in this field which has led to a change of consumer preference from traditional hand-blown ware to cheaper machine-made ware.

Text of the President's Letter

DEAR MR. CHAIRMAN: As you were advised in my earlier letter ² in connection with the report of the United States Tariff Commission on its "escape clause" investigation with respect to certain hand-blown glassware, I asked the Commission for additional information on several points on which clarification seemed essential to a final decision in the case. The Commission's reply indicated the difficulty of obtaining satisfactory information on the points raised.

All members of the Commission are agreed that the problem of import competition arises only in hand-blown table and art glassware, mainly stemware. Three of the Commissioners declare that imports have been increasing under the tariff concessions granted in the General Agreement on Tariffs and Trade to the extent of causing serious injury to domestic producers. They urge not only that the trade agreement concession be withdrawn, but that the basic rates in operation on January 1, 1945 be increased by one-half, the maximum permissible. The rates that would then come into operation would be: 90 per cent ad valorem on plain hand-blown table and art glassware with an invoice value up to \$3. per piece, and on cut or engraved ware up to \$1. per piece, and 67½ per cent ad valorem on cut or engraved ware valued from \$1. to \$3.

The three other Commissioners take the position that such decline in business as has been experienced by the domestic producers in recent years has been the result not of the trade agreement reduction in duty, but rather of the long-continued

technological change in this field, which has led consumers to shift their purchases from the traditional hand-blown ware to the increasingly attractive and much less expensive machine-made glassware.

After the closest possible study of the situation on the basis of the data available, I believe that the fundamental cause of the difficulties of this industry lies in competition offered by machine-made glassware to both imported and domestic hand-made ware. In 1937 total consumption in the United States of hand-blown table and art glassware, including imported glass, amounted to 7.2 million dozen pieces, or about one-fifth the amount of machine-made tumblers and stemware produced in that year. Fifteen years later, in 1952, the population of the United States had increased by nearly one-fourth. Years of unprecedented prosperity had helped to make possible the establishment of many new households, and millions of others had been re-equipped in keeping with a higher standard of living. The total consumption of machine-made tumblers and stemware had increased by sixty per cent so that it totaled 65 million dozen pieces in 1952 as compared with 40 million in 1937. Yet hand-blown glassware consumption had fallen during the interval by nearly 60 per cent to only 3 million dozen pieces instead of 7 millions. This decline was moreover one in which both imports and domestic production suffered. A post-war resumption of imports ended the abnormal war-time domination of the market by domestic production with a result that imports increased steadily after 1946. However, imports did not come close to regaining their pre-war volume and in 1952, according to latest data given in the Tariff Commission report, amounted to 910,000 dozen pieces as compared with an estimated 2,000,000 dozen pieces in 1937. Although the available data are inconclusive, it appears that up to the end of 1952 imports supplied no larger a share of the total domestic market than they had done in 1937. If, as is estimated, some 2,000,000 dozen pieces were imported in 1937, those imports were about 37 per cent of the total consumption in the United States in that year. The 910,000 dozen pieces imported in 1952 amounted to just about that same proportion of the reduced total consumption in that year.

It would appear that the difficulty confronting this industry is not the duty concession but a

² BULLETIN of Dec. 14, 1953, p. 823.

rapidly shrinking consumer market. In that situation no amount of change in duty can avoid the necessity of domestic producers of hand-blown table and art glassware finding means of preparing themselves to meet the changes in industrial techniques and consumer preferences that are inescapable in a dynamic economy such as ours. It would appear that the most promising approach lies in the direction of finding those specialties or other products which it is within the ability of the industry to make and for which a profitable market in the United States can be sustained. I am informed that a number of firms in the industry have already initiated steps in that direction.

Added tariff protection offers no comparable real benefit in my opinion. It might offer some short-term relief. That relief would, however, cloud the issues as to the industry's long-run needs. By postponing the needed changes, it would tend also to discourage product and market research. For these reasons I have decided not to increase the duties on hand-made glassware.

Sincerely,

DWIGHT D. EISENHOWER

Trout-Labeling Bill Vetoed

Statement by the President

White House Office press release dated September 2

I am withholding my approval from S. 2033, "Relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear in public eating places serving such trout."

The bill would amend the Federal Food, Drug, and Cosmetic Act by making its criminal sanctions—imprisonment up to 3 years or a fine up to \$1,000, or both—and certain civil sanctions applicable to the sale, offering for sale, possessing for sale, or serving of foreign-produced trout in violation of special provisions which the bill would add to the act with respect to such trout, except a certain species of lake trout largely imported from Canada. (These special requirements would be in addition to any of the other requirements of the act and to any applicable requirements of State law.)

These special requirements—none of them applicable to domestic trout—are as follows:

1. Foreign-produced trout would have to be packaged and, if the package is broken while held for sale, each unit for sale consisting of one or more trout would have to be in a separate package.

2. Each such package would have to be clearly and conspicuously stamped or labeled, in type or lettering of specified size, with the word "trout" preceded by the name of the country in which such trout was produced.

3. It would be unlawful for any restaurant or other public eating place to possess, in a form ready for serving, any foreign-produced trout unless the restaurant or eating place displayed prominently and conspicuously a notice stating that "_____ trout is served in this restaurant," with the name of the country of origin inserted in the blank space.

According to the Committee reports, the bill has the threefold purpose of (1) protecting the public and consumer against deceptive and unfair acts and practices by requiring truthful disclosure of the origin of the trout being sold, (2) protecting our domestic trout producers against unfair competition from foreign producers of trout, and (3) protecting our source of supply for stocking the streams of our Nation with game trout.

It is claimed that in recent years certain merchants and restaurants have indulged in the practice of serving imported trout to restaurant patrons and other consumers as Rocky Mountain trout, Rocky Mountain rainbow trout, or under other descriptive names which, to the consumer, indicate their domestic origin. If domestic trout producers are deprived of this market, it is feared that they may be unable to continue their other important function of supplying eggs and fingerlings for restocking our streams for the sportsman-angler.

Fraud and deception in the marketing or serving of food or any other product cannot, of course, be condoned. I am convinced, however, that to the extent that the provisions and sanctions of the bill properly involve Federal functions, they are unnecessary to prevent fraud and deception. The Tariff Act and the Federal Food, Drug, and Cosmetic Act already provide for necessary labeling of imported products. Furthermore, the provisions of S. 2033 are discriminatory and oppressive against foreign trade, and to a very substantial extent they would invade a field of regulation and enforcement which I believe should be left to the

States and localities. Finally, the costs of enforcement would be out of all proportion to funds available to the Food and Drug Administration for vital functions affecting the health of the American people.

Tariff Commission Report on Imports of Dried Figs

White House Office press release dated September 11

The President on September 11 approved a periodic report of the U. S. Tariff Commission in which the Commission stated that it does not appear that conditions have so changed as to warrant the institution of a new formal investigation on imports of dried figs.

On August 30, 1952, an increase in the tariff on imports of dried figs was established, and in accordance with the provisions of Executive Order 10401 the Tariff Commission makes periodic reports to the President on subsequent developments in the dried figs trade. The September 11 report was the second made in this respect.

U.S. Army Engineers To Aid in St. Lawrence Seaway Construction

Designation of the U.S. Army Corps of Engineers to acquire land, prepare plans, and otherwise aid in the construction of the U.S. portion of the St. Lawrence Seaway project was announced on September 2 by Lewis G. Castle, Administrator of the St. Lawrence Seaway Development Corporation. The Corporation is subject to the direction and supervision of the Secretary of Defense.

In a letter to Secretary of the Army Robert T. Stevens requesting the services of the Corps of Engineers, Mr. Castle stressed the urgency of the project and said:

We regard it as essential that the highest priority be assigned to the maintenance of continuity of service during the engineering and construction period on the part of those individuals assigned by the Corps of Engineers to work on this project. Of equal importance is the high quality of workmanship that will be required.

You will appreciate the fact that involved in the undertaking of this Corporation are not only elements of national responsibility, but international as well, since the

project comprises a part of a joint Great Lakes-St. Lawrence Seaway development with our great and friendly neighbor, Canada.

Mr. Castle outlined these services which the Corps of Engineers will perform: (a) land acquisition, (b) preparation of engineering plans and specifications, (c) making of recommendations and rendering assistance in awards to bidders, (d) other planning and engineering assistance as may be directed, and (e) such supervision of construction operations as may be, from time to time, delegated to the U.S. Army Corps of Engineers by the St. Lawrence Seaway Development Corporation.

Eximbank Loan To Help Finance Water Project for Paraguay

The Export-Import Bank of Washington announced on September 8 that the bank has authorized a line of credit not to exceed \$7.2 million as may be required for the purpose of assisting the Republic of Paraguay in financing the U.S. equipment and services necessary for the installation of a central water-supply system in the city of Asunción.

The bank announcement said, in part:

This project will make a significant contribution to the improvement of the general health and welfare of a substantial segment of the Republic of Paraguay and will contribute to the further economic development of the country. The action of the bank reflects the continuing interest of the United States in the development of the South American Republics and confidence in their future.

Asunción, located on the Paraguay River, is a city of about 250,000 people. It is the capital and the cultural and business center of the country. Its port and power facilities also make it the hub of the country's industrial activity. Despite the rapid growth of the city, there is at present no public water-supply system and, consequently, no fire department. Water is obtained presently from privately owned wells and rainwater cisterns and by delivery from carts which retail water throughout the city. Contamination of wells is a serious problem. Although Paraguay has long desired to construct a central water works, it has not been able to meet the cost out of currently available revenues.

On the basis of preliminary engineering studies made several years ago by an American engineer-

ing firm, it is proposed that the water works will have a capacity of about 10 million gallons per day and initially will provide water service within the urban developed area of the city, comprising about 5 square miles. The Paraguayan Government intends to complete and bring up to date the earlier engineering studies and to formulate detailed plans and specifications for the execution of the project. Following the completion by the Government of satisfactory arrangements to insure the successful construction, administration, and maintenance of the proposed water-supply system, the precise terms and conditions of the credit will be determined.

The bank's credit is to be established not later than December 31, 1955, and will be made available to cover the cost of the necessary equipment, machinery, supplies, and services to be purchased in the United States. The expenditures required in Paraguayan currency, which are estimated at the equivalent of about \$2 million, will be financed by Paraguay from its own funds.

Thailand Joins FOA Investment Guaranty Program

The Foreign Operations Administration announced on September 10 that Americans interested in business ventures in Thailand may now apply for guaranties protecting their investments against losses from inconvertibility or expropriation. In an exchange of notes between the two Governments, the Government of Thailand has agreed to cooperate in the U.S. Government's guaranty investment program conducted through FOA.

Thailand thus became the twentieth foreign country to participate in the U.S. program which seeks to encourage new investments abroad by American private enterprise, investments which will help to build up the economic and defensive strength of free countries and support the further development of productive private enterprise. Other cooperating governments are Austria, Belgium, China (Formosa), Denmark, France, Germany (Federal Republic), Greece, Haiti, Israel, Italy, Japan, Netherlands, Norway, Philippines, Portugal, Spain, Turkey (convertibility only), United Kingdom (convertibility only), and Yugoslavia.

The U.S. objective is to enlist for other free nations of the world not only American capital but also the technical and managerial skills and the progressive spirit of American private enterprise. Investments may be in cash, materials and equipment, patents, processes and techniques, or services. While they must be approved by the U.S. Government and the appropriate foreign government, there is no interference in the operation of the business.

U.S. Delegations to International Meetings

Consultative Committee of Colombo Plan

The Department of State announced on September 17 (press release 514) that the United States is participating in the Sixth Meeting of the Consultative Committee for Economic Development in South and Southeast Asia ("Colombo Plan") which will convene at Ottawa from September 20 to October 9, 1954. The Officials Meeting, convening September 20 through October 2, will be followed by a Ministerial Meeting from October 4 through October 9. The United States has been a member of the Consultative Committee of the Colombo Plan since 1951.

Samuel C. Waugh, Assistant Secretary of State for Economic Affairs, will be the U. S. representative to the Ministerial Meeting. It is expected that Harold E. Stassen, Director, Foreign Operations Administration (FOA), accompanied by Norman Paul, Director, Office of Near East, South Asia and Africa Operations, FOA, will join the U.S. delegation for part of the Ministerial Meeting. It is hoped that Herbert Hoover, Jr., Under Secretary of State Designate, will also be able to be present.

Emerson A. Ross, Chief, Investment and Economic Development Staff, Department of State, will be the U.S. representative to the Officials Meeting and alternate U.S. representative to the Ministerial Meeting.

Other members of the delegation are Charles F. Baldwin, Economic Coordinator, Bureau of Far Eastern Affairs, Department of State; John A. Loftus, Special Assistant to the Assistant Secretary for Economic Affairs, Department of State; Peter H. Delaney, Deputy Officer in Charge of

South Asian Economic Affairs, Department of State; Allan Loren, Chief, Burma, Indonesia, Thailand Division, and Solomon H. Chafkin, Deputy Chief, Philippines Division, Office of Far Eastern Operations, Foa; and Albert E. Pappano, First Secretary, American Embassy, Ottawa.

The Committee provides a forum in which countries cooperating in the economic development of the region of South and Southeast Asia meet on an annual basis to consult and advise on development problems of the area. The individual development programs of the area, generally covering the 6-year period July 1, 1951, through June 30, 1957, and setting forth the goals for achievement in specific fields of endeavor, are known collectively as "The Colombo Plan for Co-operative Economic Development in South and Southeast Asia."

The principal task of the Committee is to review development progress in the past year and examine the prospects for the next, or fourth year, of implementation of the Colombo Plan programs.

Countries represented on the Committee are Australia, Burma, Cambodia, Canada, Ceylon, India, Indonesia, Laos, Nepal, New Zealand, Pakistan, the United Kingdom, and its territories in Malaya and British Borneo, the United States, and Viet-Nam. The Philippines and Thailand, the International Bank for Reconstruction and Development (IBRD), and the Economic Commission for Asia and the Far East (ECAFE) generally send observers.

The last meeting of the Committee was held at New Delhi, India, September 28–October 17, 1953.

**Current U.N. Documents:
A Selected Bibliography¹**

Economic and Social Council

International Children's Centre. Report on Activities in 1953. E/ICEF/264, June 1, 1954. 242 pp. mimeo.
Voluntary Service for Reconstruction and Development. Statement submitted by the World Federation of United Nations Associations, a non-governmental organization in category A consultative status. E/C.2/392, June 14, 1954. 1 p. mimeo.

¹ Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N. Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

Full Employment. Implementation of Full Employment and Balance of Payments Policies. Ethiopia. E/2408/Add.13, June 24, 1954. 6 pp. mimeo.
Full Employment. Implementation of Full Employment, Economic Development and Balance of Payments Policies. China-Taiwan, Czechoslovakia, Hungary. E/2565/Add.4, June 18, 1954. 44 pp. mimeo.
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General Progress Report of the Executive Director, United Nations Children's Fund. E/ICEF/267, July 15, 1954. 84 pp. mimeo.
Sixteenth Report of the Administrative Committee on Co-ordination to the Economic and Social Council. Annex—The Development of Co-ordination and Co-operation among the United Nations and the Specialized Agencies in Economic and Social Programs. E/2607/Add.1, June 18, 1954. 46 pp. mimeo.

TREATY INFORMATION

**United States and Canada Sign
Great Lakes Fisheries Convention**

Press release 501 dated September 10

Representatives of the United States and Canada on September 10 signed at Washington a convention on Great Lakes fisheries.

Acting Secretary Walter Bedell Smith and the Special Assistant for Fisheries to the Under Secretary, William C. Herrington, signed on behalf of the United States. The Canadian Ambassador in Washington, Arnold Heeney, and the Canadian Deputy Minister of Fisheries, Stewart Bates, signed on behalf of Canada.

The convention provides for joint action by the United States and Canada in the field of fishery research and elimination of the predatory sea lamprey in the Great Lakes. To carry out this task, both Governments agree to establish a Great Lakes fishery commission of three appointees from each country.

The duties of the commission include the formulation of research programs regarding the

Great Lakes fisheries and the formulation and implementation of comprehensive programs for the destruction of the predatory sea lamprey which has been playing havoc with some of these fisheries, especially the white fish and lake trout fisheries. The commission may recommend to the Governments, on the basis of research findings, measures to make possible the maximum sustained yield of Great Lakes fisheries. The commission will have, however, no regulatory powers.

In the performance of its functions the commission will, wherever feasible, make use of the existing state, provincial and federal agencies in each country.

The convention, with an initial duration of 10 years, will become effective upon ratification by both countries.

Current Actions

MULTILATERAL

Aviation

Convention on international civil aviation. Formulated at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

Ratification deposited: Ecuador, August 20, 1954.

Copyrights

Universal copyright convention. Done at Geneva September 6, 1952.¹

Ratification deposited: Haiti, September 1, 1954.

Genocide

Convention on the prevention and punishment of the crime of genocide. Done at Paris December 9, 1948.²

Ratification deposited: Byelorussian S.S.R., August 11, 1954.

Trade and Commerce

International convention to facilitate the importation of commercial samples and advertising material. Dated at Geneva November 7, 1952.¹

Accession deposited: India, August 3, 1954.

War

Geneva convention relative to treatment of prisoners of war;

Geneva convention for amelioration of the condition of the wounded and sick in armed forces in the field;

Geneva convention for amelioration of the condition of wounded, sick and shipwrecked members of armed forces at sea;

¹ Not in force.

² Not in force for the United States.

Geneva convention relative to protection of civilian persons in time of war. Dated at Geneva August 12, 1949. Entered into force October 21, 1950.²

Ratifications deposited: Byelorussian S.S.R., August 3, 1954; Hungary, August 3, 1954; the Netherlands, August 3, 1954; Ukrainian S.S.R., August 3, 1954; Ecuador, August 11, 1954.

BILATERAL

Belgium

Agreement amending the agreement of November 19, 1953 (TIAS 3001), relating to off-shore procurement contracts. Effected by exchange of notes at Brussels May 13 and July 19, 1954. Entered into force July 19, 1954.

Canada

Convention on Great Lakes fisheries. Signed at Washington September 10, 1954. Enters into force on date of exchange of instruments of ratification.

Germany

Arrangement permitting units of the United States Air Force, temporarily stationed in the United Kingdom, to use the practice bombing range near Cuxhaven (Sandbank). Effected by exchange of notes at Bonn August 6 and 28, 1954. Entered into force August 28, 1954.

Greece

Treaty of friendship, commerce and navigation. Signed at Athens August 3, 1951.

Ratifications exchanged: September 13, 1954, at Athens. Enters into force October 13, 1954.

FOREIGN SERVICE

Recess Appointments

The President on September 15 made the following recess appointments:

Jack K. McFall to be Ambassador to Finland.

John E. Peurifoy to be Ambassador to Thailand.

Norman Armour to be Ambassador to Guatemala.

Edward T. Wailes to be Ambassador to the Union of South Africa.

Appointment

Raymond A. Hare as Director General of the Foreign Service (press release 508 dated September 13).

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Releases may be obtained from the News Division, Department of State, Washington 25, D. C.

Press release issued prior to September 13 which appears in this issue of the BULLETIN is No. 501 of September 10.

No.	Date	Subject
507	9/13	Waugh: hearings on GATT.
508	9/13	Hare appointment.
509	9/15	Dulles: Manila Pact and Pacific Charter.
510	9/15	Dulles: departure for Europe.
†511	9/16	Foreign Relations volume.
*512	9/17	Phleger: international law.
513	9/17	Political advisers to G. A. Delegation (rewrite).
514	9/17	U. S. Delegation to Colombo Plan meeting.
515	9/18	Dulles: return from Europe.

*Not printed.

†Held for a later issue of the BULLETIN.

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Foreign Relations of the United States . . .
the basic source of information on U.S. diplomatic history

1937, Volume IV, The Far East

Documents published in this volume deal chiefly with problems arising from the outbreak of undeclared war between China and Japan in July 1937, especially with efforts by the United States and other powers to restore peace. This is the second of two volumes dealing with the Far East crisis in 1937, *Foreign Relations of the United States, 1937, Volume III, The Far East*, having been released in June.

In 1937 China faced Japan, with the Soviet Union watching from the sidelines and discussing developments with other powers. Nine hundred pages of contemporary papers deal with not only efforts to end the undeclared war but also other phases of the war itself and repercussions affecting the United States.

The principal chapter of this volume relates to a conference called at Brussels under the terms of the Nine Power Treaty of February 6, 1922, regarding China to explore the possibility of peaceful solution of the conflict between Japan and China. Chapters are also included on American relations with China, Japan, and Siam (Thailand).

Copies of this volume may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for \$4 each.

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History

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The Department of State

P. A. Sec

bulletin

Vol. XXXI, No. 797

October 4, 1954



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PARTNERSHIP FOR PEACE • *Address by Secretary Dulles* . 471

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The Department of State bulletin

VOL. XXXI, No. 797 • PUBLICATION 5602

October 4, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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Partnership for Peace

Address by Secretary Dulles¹

Stuck

I come to this opening of the Ninth General Assembly with a deep sense of the significance of this occasion. This annual gathering of the representatives of 60 nations represents mankind's most hopeful effort to achieve peace with justice. Here is made manifest the close interdependence of today's world and, also, the vast opportunity for constructive results which lie in good partnership efforts.

The people of the United States believe wholeheartedly in the purposes and the principles set out in the charter of the United Nations. That document marks a milestone in the understanding of the nature of peace. It recognizes that peace is not a passive concept but a call to action. It is not enough to dislike war and to denounce it. War has been hated throughout the ages. Yet war has been recurrent throughout the ages. One reason is that men have never put into the winning of peace efforts comparable to those which they put into the winning of a war.

Mankind will never have lasting peace so long as men reserve their full resources for tasks of war. To preserve peace and to do so without the sacrifice of essential freedoms require constant effort, sustained courage, and at times a willingness to accept grave risks. That is the true spirit of peace.

During the past year many nations have actively worked together on behalf of a just and durable peace. There have been moments when, it seemed, the scales between general war and peace were precariously balanced. That hazardous equation still exists. But at least we see the

hazard and strive to shift the balance in favor of peace.

The efforts of the past year are not to be appraised merely by whether they in fact produced concrete settlements. The making of intelligent, resolute, and united efforts for just settlements has itself contributed to peace. It shows a dynamic spirit and a vigilance which are a warning to any potential aggressor. In the past, peace has often been lost by default. That, let us resolve, shall not happen again.

I cannot, of course, now touch on all of the manifold activities which have recently occurred within and without this organization. I shall focus mainly on political efforts with which my own country was associated as an active partner. Let me first speak of the Organization of American States. The inter-American system rests on a long tradition of cooperation for freedom and peace in this hemisphere. Faithfulness to that tradition, and pride in it, have served to spare this hemisphere from such wars as have tragically ravaged Europe and Asia during the last century and more. Last March the Caracas Conference of the American States decided and declared that if international communism gained control of the political institutions of any American State, that would be a danger to the peace and security of them all and call for collective action to remove the threat.

However aggressive communism may be judged elsewhere, we of this hemisphere, with no exception, know that its intrusion here would open grave conflicts, the like of which we have not known before.

In Guatemala there developed an identifiable threat to the peace and security of this hemisphere.

¹ Made before the U. N. General Assembly on Sept. 23 (press release 525).

The American States exchanged views about this danger and were about to meet to deal with it collectively when the Guatemalan people themselves eliminated the threat.

In this connection, there was occasion for the United Nations to apply the principles of our charter which, while affirming the universal jurisdiction of this organization, call for the use of regional arrangements before resort to the Security Council (articles 33 and 52). These provisions had been hammered out in the course of debate at San Francisco, when our charter was adopted. The American States at that time urged that their tested relationship should be coordinated with, and not totally replaced by, the United Nations, which they felt might prove undependable because of veto power in the Security Council. So it was decided to make regional association a major feature of the United Nations peace system.

This year the Organization of American States showed anew that it is ready, able, and willing to maintain regional peace. Thereby, the provisions of the United Nations Charter have been vindicated and the foundation for peace in the American Hemisphere has been solidified.

Germany and Austria

Last year I said here that "the division of Germany cannot be perpetuated without grave risks."² In an effort to eliminate that risk, I went to Berlin last January to confer with the Foreign Ministers of the other three occupying powers. We there joined with Britain and France in presenting a proposal for the unification of Germany through free elections, to be supervised by the United Nations or some comparable impartial body. The Soviet Union countered with proposals which added up to an extension of the Soviet orbit to the Rhine. Accordingly, the dangerous division of Germany still persists. But, I may add, something else persists—that is our resolve, in the spirit of peace, to end the cruel injustice being done to Germany.

Last year I also spoke of an Austrian treaty as being long overdue. I pointed out that as between the occupying powers there was "no substantial item of disagreement." At the Berlin Conference the three Western occupying powers eliminated

the last vestige of disagreement by accepting the Soviet version of every disagreed article. It seemed, for a fleeting moment, that the Austrian treaty might be signed. But then the Soviet Union improvised a new condition. It said that it would not free Austria from Soviet occupation until a German peace treaty was concluded.

There cannot be a German peace treaty until Germany is united. So Austria continues to be an indefinitely occupied nation. Nevertheless here again, we do not accept as final the denial of justice to unhappy Austria—the first victim of Hitlerite aggression and the object of the 1943 Moscow pledge of freedom and independence. The three Western Powers, constant in the spirit of peace, have again within recent days urged that the Soviet Union sign the Austrian state treaty as a deed which, far more than platitudinous words, will show whether other matters can fruitfully be discussed.

European Unity

The problem of peace in Europe has become more complicated because of the recent setback to the consummation of the European Defense Community. That concept came from recognition that the best guarantee of permanent peace in Europe was an organic unity which would include France and Germany. Also, if this unity merged the military forces of these two and other European countries, that would assure their nonaggressive character. Such forces would clearly be unavailable except as the whole community recognized the need for defensive action.

The votes of Communist deputies more than accounted for the parliamentary majority which in one country shelved the Epc. Thus, they acted to perpetuate European divisions which have recently bred wars. However, the free nations concerned do not accept with resignation the perpetuation of what, historically, has been the world's worst fire hazard. They are alert to the peril and are working actively to surmount it.

Korea

Last year when I spoke here about Korea, I was able to report an armistice. That, I said, was not because the Communist aggressors loved peace, but because they had come up against an effective military barrier. I went on to say, "The Korean political conference, if the Communists come to it

² For text of Secretary Dulles' address before the Eighth General Assembly, see BULLETIN of Sept. 28, 1953, p. 403.

will afford a better test." It took 7 months of arduous negotiation to bring about the political conference. When it occurred at Geneva, the United Nations side proposed the unification of Korea on the basis of free all-Korean elections to be supervised by the United Nations. This proposal was rejected by the Communist side. They insisted that the United Nations must itself be treated as an instrument of aggression and be debarred from any further activity in Korea.

This counterproposal, insulting to the United Nations, was unanimously rejected by those who proudly hailed the Korean action of the United Nations as the first example in all history of an international organization which had in fact acted effectively against armed aggression.

The United States does not believe that the unification of Korea must await another war. We have exerted all the influence we possess in favor of a peaceful solution of the Korean problem, and we have not lost faith that this solution is possible.

Southeast Asia

At the Geneva Conference the belligerents in Indochina also dealt with the problem of peace. An 8-year conflict of mounting intensity was brought to a close. We can all rejoice that there has been an end to the killing. On the other hand, we cannot shut our eyes to the fact that several hundred thousand in North Viet-Nam have at their desire been transferred to non-Communist areas, and that there still remain millions unwillingly subject to an alien despotism. In this case, an end to fighting has been bought at a heavy price, and the final result is still obscure.

One result, however, has been the driving home to the nations interested in Southeast Asia of the importance of a collective organization for defense against further aggression. At Manila this month eight nations met and negotiated and signed a treaty calling for collective defense against aggression.

The Manila Pact constitutes significant action taken under the charter of the United Nations, which recognizes the inherent right of individual and collective self-defense. Those who cry out when others exercise their inherent right of self-defense only expose their own aggressive purposes.

The Manila Conference did much more than extend the area of collective security. It adopted the Pacific Charter. Thereby, the eight nations—

Asian and non-Asian—which met at Manila proclaimed in ringing terms the principles of self-determination, self-government, and independence. This charter, and the spirit of fellowship which gave it birth, should serve once and for all to end the myth that there is inherent incompatibility between East and West. The peoples of Asia who are already free, or who seek freedom, need not remain weak, divided, and unsupported in the face of the new imperialism which has already reduced to colonial servitude 800,000,000 people, of what were once 15 truly independent nations.

Atomic Energy

The past year has been marked by intensive efforts in the field of atomic energy. The United States has sought to share its commanding position in this field in ways that would permit many to join in a great new adventure in human welfare. We hoped to turn atomic energy from being an instrument of death into a source of the enrichment of life.

I vividly recall December 8, 1953, when we here heard President Eisenhower propose that the nations possessing atomic material would cooperate under the auspices of the United Nations to create a world atomic bank into which they would each contribute fissionable material which would then be used for the purpose of productivity rather than destruction.³ I shared the drama of that moment and sensed the universal applause which then greeted that proposal—applause which echoed around the world.

Because it seems that oftentimes negotiations publicly conducted with the Soviet Union tend to become propaganda contests, President Eisenhower proposed that these new negotiations should be privately conducted. The United States, after consultation with others, then submitted a concrete, detailed proposal to carry out President Eisenhower's great conception. I myself met several times with the Soviet Foreign Minister at Berlin and at Geneva to discuss this matter. We are quite willing that all documents exchanged between the United States and the Soviet Union during these negotiations be published.

We hoped and believed that, if the Soviet Union would join with the United States, the United Kingdom, and other nations possessing fissionable

³ *Ibid.*, Dec. 21, 1953, p. 847.

U. S. Request to Secretary-General for Agenda Item on Atomic Energy

U.N. doc. A/2784 dated September 23

NEW YORK, 23 September 1954

I have the honour to request, under rule 15 of the rules of procedure, that an item entitled "International co-operation in developing the peaceful uses of atomic energy: report of the United States of America" be added to the agenda of the General Assembly as an important and urgent question.

In connexion with the above-mentioned request I attach an explanatory memorandum, in accordance with rule 20 of the rules of procedure.

H. C. LODGE, Jr.
Chairman

EXPLANATORY MEMORANDUM

The President of the United States, in his statement to the eighth regular session of the General Assembly on 8 December 1953, made far-reaching proposals to set up an international atomic energy agency under the aegis of the United Nations to develop plans whereby the peaceful use of atomic energy would be expedited. The President further indicated the willingness of the United States to take up with the Powers "principally involved" the development of plans for such an agency.

During the past year the United States has engaged in discussions on this subject with the Powers principally involved with atomic energy matters, and particularly with the Union of Soviet Socialist Republics. While the attempt to secure the co-operation of the USSR in this endeavour has not been successful, the other Governments with whom the United States has discussed this proposal have indicated general agreement on the objectives of the proposal and on the general nature of the international atomic energy agency.

The United States intends to proceed immediately, in conjunction with the other nations principally involved, to create an international agency to develop the constructive uses of atomic energy. This approach excludes no nation from participation in this great venture. As more precise plans take shape, all nations interested in participating and willing to take on the responsibilities of membership will be welcome to join in the planning and execution of this programme.

The United States believes that an international scientific conference of representatives of Governments and scientists would be useful in identifying the technical areas in which progress can best be made in applying atomic energy to peaceful ends, and accordingly suggests that the United Nations should convene such a conference. The United States intends at the appropriate time to describe in greater detail the nature of such a conference and its objectives.

There have been other significant developments during the past year in connexion with peaceful uses of nuclear energy concerning which the United States will report.

The United States believes that an explanation of these matters is of such import to all nations that it warrants the addition of this item to the General Assembly's agenda as an important and urgent matter.

material and atomic know-how, this act of co-operation might set a pattern which would extend itself elsewhere.

The plan we submitted could not have hurt anyone. It was motivated by the hope of lifting the darkest cloud that hangs over mankind. Its initial dimensions were not sufficient to impair the military capability of the Soviet Union, and there was no apparent reason for its rejection. Above all, it was a practicable, easily workable plan, not dependent on elaborate surveillance.

Nevertheless, the proposal was, in effect, rejected by the Soviet Union last April. Its rejection was not because of any alleged defects in the plan itself. Any such would certainly have been negotiable. The Soviet position was, in effect, to say—we will not cooperate to develop peacetime uses of atomic energy unless it is first of all agreed to renounce all those uses of atomic energy which provide the free nations with their strongest defense against aggression.

To date, the Soviet Government has shown no willingness to participate in the implementation of President Eisenhower's plan except on this completely unacceptable condition. Yesterday, when it was known that I would speak on this topic today, the Soviet Union broke a 5 months' silence by delivering a note in Moscow affirming its readiness to talk further. But the note still gave no indication that the Soviet Union had receded from its negative position.

The United States remains ready to negotiate with the Soviet Union. But we shall no longer suspend our efforts to establish an international atomic agency.

The United States is determined that President Eisenhower's proposal shall not languish until it dies. It will be nurtured and developed. We shall press on in close partnership with those nations which, inspired by the ideals of the United Nations Charter, can make this great new force a tool of the humanitarian and of the statesman, and not merely a fearsome addition to the arsenal of war.

The United States is proposing an agenda item which will enable us to report on our efforts to explore and develop the vast possibilities for the peaceful uses of atomic energy. These efforts have been and will be directed primarily toward the following ends:

- (1) The creation of an international agency,

Statement by Ambassador Lodge on Atomic Pool Proposal¹

In his speech yesterday, Secretary Dulles announced the decision of the Government of the United States to press forward with President Eisenhower's vital proposal for the establishment of an international agency to develop the peaceful uses of atomic energy. Secretary Dulles referred to the sincere effort made by the United States to enlist the cooperation of the Soviet Union in this unprecedented offer to share the fruits of modern technology with all nations and peoples. The Soviet Union has refused to join in this venture so far. We can all hope that this refusal is not final.

But in any event, the attitude of the Soviet Union cannot be permitted to deprive the people of the world of the benefits of the greatest scientific discovery of modern times. The other nations which are in a position to contribute to this great venture have indicated their readiness to do so. The United States is determined to join with them without further delay in order that nations and peoples everywhere shall share as soon as possible in atomic progress for peace.

Substantial progress has already been made in the development of the peaceful uses of nuclear energy and its by-products. A concerted international effort of the kind the United States is prepared to support could hasten the process of bringing this boon to human life out of the laboratory and putting it to work in fields, factories, and hospitals and all other places where people live and work.

The United States therefore proposes the addition to the agenda of the Ninth Regular Session of the General Assembly of an item entitled "International Cooperation in Developing the Peaceful Uses of Atomic Energy: Report of the United States of America."²

¹ Made in the General Committee on Sept. 24 (U.S./U.N. press release 1963).

² For text of formal request, see opposite page.

I am sure that the members of this committee will agree that this is an urgent and important matter in the sense of rule 15 of the General Assembly. The inclusion of this item on our agenda will permit the United States and other governments principally involved in the development of atomic energy to report more fully to this Assembly on the progress already achieved and on the efforts to set up an international atomic energy agency. It will also enable the General Assembly to consider the convening of an international scientific conference under the auspices of the United Nations to help in identifying areas in which further technical progress might be made. I am certain that the great majority of the members of the United Nations are anxious for this opportunity to assist in making the promise of atomic energy a beneficent reality for all people.

The United States believes that this item should be discussed in the Political Committee and recommends that the General Committee so decide.

There is probably no single matter before us at this General Assembly which holds out greater promise for actively and constructively promoting the material welfare of mankind.³

³ The General Committee decided unanimously to add the U.S. item to the agenda as an important and urgent matter. After a statement by the Soviet representative, Andrei Vyshinsky, favoring the recommendation, Ambassador Lodge made the following additional remarks:

"Of course, no one will be happier than the representative of the United States to find that the Soviet Union by its actions makes clear its cooperation with this great idea. But let us not forget the words of the old proverb—actions speak louder than words. The world has been waiting for such action since last December 8. Secretary Dulles said yesterday we will be glad to publish the entire correspondence and then the world can reach its own judgment."

whose initial membership will include nations from all regions of the world. It is hoped that such an agency will start its work as early as next year.

(2) The calling of an international scientific conference to consider this whole vast subject, to meet in the spring of 1955, under the auspices of the United Nations.

(3) The opening early next year, in the United States, of a reactor training school where stu-

dents from abroad may learn the working principles of atomic energy with specific regard to its peacetime uses.

(4) The invitation to a substantial number of medical and surgical experts from abroad to participate in the work of our cancer hospitals—in which atomic energy techniques are among the most hopeful approaches to controlling this menace to mankind.

I would like to make perfectly clear that our

planning excludes no nation from participation in this great venture. As our proposals take shape, all nations interested in participating, and willing to take on the responsibilities of membership, will be welcome to join with us in the planning and execution of this program.

Even though much is denied us by Soviet negotiation, nevertheless much remains that can be done. There is denied the immense relaxation of tension which might have occurred had the Soviet Union been willing to begin to cooperate with other nations in relation to what offers so much to fear and so much to hope. Nevertheless, there is much to be accomplished in the way of economic and humanitarian gains. There is no miracle to be wrought overnight. But a program can be made and vitalized to assure that atomic energy can bring to millions a better way of life. To achieve that result is our firm resolve.

Closely allied to this question of peaceful uses of atomic energy is the whole vast and complex question of disarmament. At this Assembly last year, the United States affirmed its ardent desire to reduce the burden of armament. I stated here that the United States would vigorously carry forward the technical studies on armament control and limitation which are vital to any solution of this problem.

London Talks on Disarmament

Last spring the United States participated in discussions in London with the Soviet Union, the United Kingdom, France, and Canada on a subcommittee of our Disarmament Commission to see whether a fresh approach to the problem could achieve a solution acceptable to the Soviet Union as well as to the free world.⁴ The record of these meetings has now been made public.

It shows that the representatives of Canada, France, the United Kingdom, and the United States tried with patience and ingenuity to explore all avenues of agreement with the Soviet Union which would be consistent with the security of all nations. Once more we made clear, as we have again and again in the past, that we seek to eliminate the use of atomic energy for any purposes but those of peace.

These efforts were met by a flat refusal by the Soviet Union even to discuss our proposals on

their merits. The crux of the Soviet position was that, before it will engage in real negotiations on disarmament, it insists upon a paper ban by the major powers of the use of nuclear weapons. The great shield, the supreme deterrent, must first be abandoned, leaving the free nations exposed to the Communists' unrivaled manpower. Once that inequality has been assured, then—perhaps—the Soviet Union will negotiate further from its position of assured supremacy. Such procedure would not increase the security of any free nation.

Reluctantly we must conclude that the Soviet Union has at present no serious desire to negotiate on the disarmament problem. But we shall continue to hope, and to seek, that the Soviet Union may ultimately come to cooperate on a program which could end the wasteful diversion of vast economic wealth and bring it into the constructive service of mankind.

Charter Review

No doubt you will have observed that many of the efforts for peace to which I have referred were conducted outside of the United Nations itself. It should not, however, be forgotten that the organs of the United Nations are themselves steadily carrying forward activities which contribute substantially, even though not spectacularly, to the political, economic, and social conditions which are the foundation for peace. The United States wishes to pay a high tribute to those who perform these indispensable tasks.

If many major political developments have occurred outside the immediate framework of the United Nations, that is due to two causes—one good, one bad:

The charter of the United Nations itself provides that the parties to any dispute which would endanger international peace and security should first of all seek a solution by negotiation, resort to regional agencies, or other peaceful means of their own choice. Only when these methods fail should there be resort to the Security Council. In other words, the Security Council of the United Nations was never intended to be a court of first instance, but only a court of last resort. In this sense, the unprecedented peace efforts of the past year fall within the pattern which our charter itself prescribes.

A second cause exists, and it is disturbing. It is the fact that the membership of the United Na-

⁴ *Ibid.*, Aug. 2, 1954, p. 171.

tions falls far short of representing the totality of those nations which are peace-loving, which are able and willing to carry out the obligations of the charter, and which are indispensable parties to many critical international problems. Fourteen nations are now debarred from membership only through the use—in reality the abuse—of the so-called veto power. None of these is in the category of Communist China, which has been found by the United Nations to be guilty of aggression. All 14 are fully qualified for membership. Unless ways can be found to bring peace-loving, law-abiding nations into this organization, then inevitably the power and influence of this organization will progressively decline.

We are approaching the tenth anniversary of the founding of the United Nations. All of the member governments and their peoples may properly be thankful for the great accomplishments of the United Nations and for its unique service as a forum for international discussion. However, this coming anniversary must be made more than a date for self-congratulations. It is the time to

take account of weaknesses of our organization and of ways in which it can be made to function better as a guarantor of peace and justice and as a center for harmonizing the actions of nations. That, indeed, was the idea of the founders, who planned for a charter review conference to be called at the next annual session of our Assembly.

The search for peace has had its high hopes and its deep frustrations. But after the frustration, there is always renewed hope. On behalf of the United States I would say in my closing words that we believe that international peace is an attainable goal. That is the premise that underlies all our planning. We propose never to desist, never to admit discouragement, but confidently and steadily so to act that peace becomes for us a sustaining principle of action. In that, we know that we shall not be alone. That is not merely because we have treaties of alliance and bonds of expediency. It is because the spirit of peace is a magnet that draws together many men and many nations and makes of them a fellowship of loyal partners for peace.

BULLETIN Marks Twenty-fifth Anniversary

This issue of the BULLETIN marks the twenty-fifth anniversary of the publication of an official periodical by the Department of State.

The first issue of *Press Releases*, predecessor to the BULLETIN, appeared on October 5, 1929. It contained, among other documents, a message from Secretary Stimson on the death of the German Foreign Minister, Gustav Stresemann. The second issue included the text of the British Government's invitation to the London Naval Conference, a message from President Hoover to the President of Argentina on the inauguration of air mail service between their countries, and information concerning the visit to Washington of Prime Minister Ramsay MacDonald.

Issue No. 1 of *Press Releases* also was Publication No. 1 in the Department's newly inaugurated publication program. The consecutive numbering

system begun at that time is still in effect; publication No. 5545, *Foreign Relations of the United States, 1937, Volume IV, The Far East*, was released on September 25.

On July 1, 1939, the Department of State BULLETIN first made its appearance, superseding both *Press Releases* and the monthly *Treaty Information* bulletin. The decision to discontinue the latter publications was based on the belief that "a single bulletin containing both treaty information and information on other closely related aspects of the conduct of American foreign relations would constitute a more useful and convenient source for current reference and for filing than two separate publications."

The present format of the BULLETIN was adopted with the issue of October 6, 1946.

Correspondence With Soviet Union on Atomic Pool Proposal

Press release 531 dated September 25

Following are the texts of documents exchanged between the Governments of the United States and the Union of Soviet Socialist Republics between January and September 1954 during the course of negotiations concerning President Eisenhower's proposals before the United Nations General Assembly on December 8, 1953.

NOTE HANDED TO AMBASSADOR GEORGI ZARUBIN BY SECRETARY DULLES, WASHINGTON, JANUARY 11

1. The United States suggests that the conversation with reference to atomic energy should initially be conducted through diplomatic channels, reserving the right of any participant to propose shifting the deliberations to the United Nations pursuant to its resolution suggesting private discussions under the auspices of the Disarmament Commission.¹

2. It is suggested that the diplomatic discussions take place at Washington and wherever else it is convenient for the participants to meet. Presumably Mr. Molotov and Mr. Dulles would have a private discussion at Berlin.²

3. It is suggested that procedural talks should in their initial stage be limited to the U.S.S.R. and the United States, with the participation of the other nations principally involved as determined in the light of the subject matter to be discussed.

4. The United States is prepared to consider any proposal that the Soviet Union sees fit to make with reference to atomic, hydrogen and other weapons of mass destruction.

5. However, the United States believes that the first effort should be to proceed on a modest basis which might engender the trust and confidence necessary for planning of larger scope. That is why the United States urges an early discussion of the proposal made by President Eisenhower on December 8, 1953. The United States is prepared to have concrete private discussions about this plan and its possible implementation.

¹ BULLETIN of Dec. 14, 1953, p. 838.

² I.e. during the four-power conference opening at Berlin on Jan. 25.

6. The United States suggests that privacy will best serve practical results at this time and that these talks should not be used for propaganda purposes by either side.

NOTE HANDED TO SECRETARY DULLES BY AMBASSADOR ZARUBIN, WASHINGTON, JANUARY 19

[Translation]

In connection with the aide memoire handed by J. F. Dulles, Secretary of State, to Ambassador G. N. Zaroubin on January 11, the Soviet Government considers it necessary to communicate the following.

1. Paragraph 1 of the U.S. aide memoire states:

The United States suggests that the conversation with reference to atomic energy should initially be conducted through diplomatic channels, reserving the right of any participant to propose shifting the deliberations to the United Nations pursuant to its resolution suggesting private discussions under the auspices of the Disarmament Commission.

On this point there are no remarks.

2. Paragraph 2 of the aide memoire of the U.S.A. states:

It is suggested that the diplomatic discussions take place at Washington and wherever else it is convenient for the participants to meet. Presumably Mr. Molotov and Mr. Dulles would have a private discussion at Berlin.

On paragraph 2 there are no remarks.

3. In paragraph 3 of the aide memoire of the U.S.A. it is said:

It is suggested that procedural talks should in their initial stage be limited to the U.S.S.R. and the United States, with the participation of the other nations principally involved as determined in the light of the subject matter to be discussed.

Agreement is expressed regarding the considerations stated in paragraph 3 of the aide memoire, keeping in mind that at the specified stage of the negotiations there will be considered the necessity for drawing into the negotiations all powers that bear the chief responsibility for maintaining peace and international security.

4. Paragraph 4 of the aide memoire of the U.S.A. states:

The United States is prepared to consider any proposal that the Soviet Union sees fit to make with reference to atomic, hydrogen and other weapons of mass destruction.

In this connection it is necessary to recall the statement made by the Soviet Government on December 21, 1953,¹ which pointed out that the Soviet Government proceeds on the basis of the assumption that during the course of the negotiations there will be considered at the same time the proposal of the Soviet Union with regard to an agreement under which the states participating in the agreement would assume the unconditional obligation not to use the atomic, hydrogen, or any other weapon of mass destruction.

5. In paragraph 5 of the aide memoire of the U.S.A. it is said:

However, the United States believes that the first effort should be to proceed on a modest basis which might engender the trust and confidence necessary for planning of larger scope. That is why the United States urges an early discussion of the proposal made by President Eisenhower on December 8, 1953. The United States is prepared to have concrete private discussions about this plan and its possible implementation.

The Soviet Government agrees to consider President Eisenhower's proposal of December 8, 1953, and likewise agrees to enter into the said negotiations relating to this proposal. At the same time the Soviet Government considers it necessary to negotiate to the effect that in the discussion of this proposal made by the U.S.A. and the proposal made by the U.S.S.R. as mentioned in paragraph 4, the principle of rotation be observed, with one conference being devoted to the consideration of the U.S. proposal and the next being devoted to the consideration of the U.S.S.R. proposal.

6. Paragraph 6 of the aide memoire of the U.S.A. states:

The United States suggests that privacy will best serve practical results at this time and that these talks should not be used for propaganda purposes by either side.

On this paragraph there are no remarks.

DRAFT DECLARATION HANDED TO SECRETARY DULLES BY MR. MOLOTOV, BERLIN, JANUARY 30

[Translation]

Draft Declaration of the Governments of the United States of America, England and France, Chinese People's Republic and the Soviet Union Concerning Unconditional Renunciation of Use of Atomic, Hydrogen and Other Forms of Weapons of Mass Destruction.

The Governments of the United States of America, England, France, Chinese People's Republic and the U. S. S. R., determined to deliver humanity from the threat of destructive war with the use of atomic, hydrogen, and other forms of weapons of mass destruction, desirous of assisting in every way in the utilization of the great scientific discoveries in the field of atomic energy only for peaceful purposes for the well-being of peoples and the amelioration of their living conditions,

¹ BULLETIN of Jan. 18, 1954, p. 80.

Considering that the unconditional renunciation by states of the use of atomic, hydrogen, and other forms of weapons of mass destruction corresponds to the basic purposes of the organization of the United Nations and would constitute an important step on the road to the complete withdrawal from national armaments of the atomic, hydrogen, and other forms of weapons of mass destruction with the establishment of strict international control guaranteeing the execution of agreement concerning the prohibition of the use of atomic energy for military purposes, animated by the aspirations of the peoples for a reduction in international tension,

Solemnly declare that they take upon themselves the unconditional obligation not to use atomic, hydrogen, and other forms of weapons of mass destruction;

Call on other countries to adhere to the present declaration.

AIDE MEMOIRE HANDED TO SECRETARY DULLES BY MR. MOLOTOV, BERLIN, FEBRUARY 13

[Translation]

1. In the aide memoire presented by the Ambassador of the U. S. S. R. in Washington to the Secretary of State of the U.S.A. on January 19, 1954, the Soviet Government expressed the view that at a subsequent stage of the negotiations on the atomic problem all the powers bearing primary responsibility for the maintenance of peace and international security should be invited to take part.

In a private talk with Mr. Dulles on January 30 last, V. M. Molotov explained that the powers referred to are the Five Powers, namely, the United States of America, the Soviet Union, Britain, France, and the Chinese People's Republic.

2. In that talk Mr. Dulles expressed the view that Britain, France, and also Canada and Belgium should be invited to join in the negotiations on the atomic problem, and he explained that Canada and Belgium should take part as countries possessing resources of atomic materials.

3. In connection therewith the Soviet Government states that it would have no objection to the participation in the negotiations on the atomic problem at an appropriate stage, besides the Five Powers, of Canada and Belgium, and also believes it necessary to have Czechoslovakia invited to take part in the said negotiations as a country possessing atomic materials.

LETTER FROM SECRETARY DULLES TO MR. MOLOTOV, BERLIN, FEBRUARY 16

DEAR MR. MINISTER: I refer to your Aide Memoire, which you handed me on February 13, 1954, regarding the discussions on the atomic proposal.

In your numbered paragraph 2, you state that I "expressed the view that Britain, France and also Canada

and Belgium should be invited to join in the negotiations on the atomic problem, and (he) explained that Canada and Belgium should take part as countries possessing resources of atomic materials." This statement does not fully accord with my recollection of what I said on the subject on January 30. I would like to clear up the apparent misunderstanding. At that discussion I said that the United Kingdom, Canada and France had all made progress in the atomic field. I then referred to Belgium and other countries which were important sources of raw material. In these circumstances I indicated that if we shifted our talks from a bilateral basis to a broader conference at that stage the United States would raise the problem of what countries should participate.

In connection with the general subject of possible future participation, I should like to call your attention once more to a general statement which I have made repeatedly here in Berlin. This is that the United States is not prepared to participate in any conference with the Chinese Communist regime on the theory that it has, or shares, any special position of responsibility for the maintenance of international peace and security.

I shall hope to be in a position to hand to Ambassador Zaroubin in Washington, shortly after my return, a memorandum on the substance of the President's proposal.

Very truly yours,

JOHN FOSTER DULLES

His Excellency

V. M. MOLOTOV,

*Minister of Foreign Affairs for
the Union of the Soviet Socialist Republics.*

LETTER FROM MR. MOLOTOV TO SECRETARY DULLES, BERLIN, FEBRUARY 18

[Translation]

DEAR MR. SECRETARY OF STATE: I confirm the receipt of your letter of February 16, 1954.

Inasmuch as you are already preparing to depart today, I will send my reply to your letter through the Ambassador of the Soviet Union in Washington, Zaroubin.

Respectfully,

V. MOLOTOV

MEMORANDUM HANDED TO ACTING SECRETARY SMITH BY AMBASSADOR ZAROUBIN, WASHINGTON, MARCH 10

[Translation]

In connection with the letter from the Secretary of State of the United States of America of February 16 of this year addressed to Mr. V. M. Molotov, Minister of Foreign Affairs of the U. S. S. R., I am instructed by Mr. V. M. Molotov to state the following:

The views expressed in the letter that it is not considered expedient to define at present which specific coun-

tries should be invited to participate in the talks on the atomic question at a later stage of the talks have been noted.

As already stated in the aide memoire handed to Mr. Dulles by Ambassador Zaroubin January 19, as well as in the private discussion held by Mr. V. M. Molotov and Mr. Dulles at Berlin, the Soviet Government agrees to negotiate with the Government of the United States of America on the atomic question on a bilateral basis. At the same time, in case it is decided to shift these negotiations to a broader basis, there is no objection to an additional examination of the question as to the participants in such negotiations.

With regard to the possible participation of the Chinese People's Republic in the negotiations on the atomic question at a subsequent stage, the opinion of the Soviet Government on this question was stated in the aide memoire of February 13.

MEMORANDUM HANDED TO AMBASSADOR ZAROUBIN BY SECRETARY DULLES, WASHINGTON, MARCH 19

OUTLINE OF AN INTERNATIONAL ATOMIC ENERGY AGENCY

The United States Government wishes to submit additional tentative views amplifying the proposals for an International Atomic Energy Agency as presented by the President of the United States to the United Nations General Assembly on December 8, 1953:

I. The Objectives of the U.S. Proposals

The U.S. proposes that there should be established under the aegis of the United Nations an International Atomic Energy Agency to receive supplies of nuclear materials from those member nations having stocks of such materials to be used for the following objectives:

- A. to encourage world-wide research and development of peaceful uses of atomic energy by assuring that engineers and scientists of the world have sufficient materials to conduct such activities and by fostering the interchange of information.
- B. to furnish nuclear materials to meet the needs of agriculture, medicine, and other peaceful activities including the eventual production of power.

II. The International Atomic Energy Agency

- A. The Agency would be created by and derive its authority under the terms of a treaty among the participating nations. To the greatest extent practicable, the treaty should define standards and principles which would govern the Agency in the discharge of its functions.
- B. Membership—all signatory states would be members of the Agency.

C. Governing Body

1. The highest executive authority in the Agency should be exercised by a Board of Governors, of limited membership representing governments. In determining the composition of the Board of Governors, it might be desirable to take account of geographic distribution and membership by prospective beneficiaries. It is expected that the principal contributors would be on the Board of Governors.
2. It is suggested that decisions of the Board of Governors generally should be taken by some form of majority vote. Arrangements could be worked out to give the principal contributing countries special voting privileges on certain matters, such as allocations of fissionable material.

D. Staff—The Staff of the Agency should be headed by an administrative head or general manager, appointed for a fixed term by the Board of Governors and subject to its control, and, of course, include highly qualified scientific and technical personnel. Under the general supervision of the Board, the administrative head should be responsible for the appointment, organization and functioning of the Staff.

E. Financing

1. Funds for the central facilities and fixed plant of the Agency and its research projects should be provided through appropriation by the participating states in accordance with a scale of contributions to be agreed upon. It is suggested that it might be possible to utilize the general principles governing the scale of contributions by individual members to the UN.
2. Funds for specific projects submitted by member nations to utilize the materials or services of the Agency should be provided by the recipient country concerned through specific arrangements in each case.

F. The administrative headquarters of the Agency could be located at a place mutually agreed upon.

G. Relationship to the United Nations and Other International Bodies—The Agency should submit reports to the UN Security Council and General Assembly when requested by either of these organs. The Agency should also consult and cooperate with other UN bodies whose work may be related to that of the Agency.

H. The facilities of the Agency would include:

1. Plant, equipment, and facilities for the receipt, storage, and issuance of nuclear materials.
2. Physical safeguards.
3. Control laboratories for analysis and verification of receipts and inventory control of nuclear materials.
4. Necessary housing for administrative and other activities of the Agency not included in the preceding categories.

5. Those facilities, as might in time be necessary, for such purposes as education and training, research and development, fuel fabrication and chemical processing.

III. Functions of the Agency

A. Receipt and Storage of Materials

1. All member nations possessing stocks of normal and enriched uranium, thorium metal, U-233, U-235, U-238, plutonium and alloys of the foregoing would be expected to make contributions of such material to the Agency.
2. The United States would be prepared to make as a donation, a substantial initial contribution of nuclear materials towards the needs of the Agency. The USSR would make an equivalent donation towards these needs.
3. The Agency would specify the place, method of delivery, and, when appropriate, the form and composition of materials it will receive. The Agency would also verify stated quantities of materials received and would report to the members these amounts. The Agency would be responsible for storing and protecting materials in a way to minimize the likelihood of surprise seizure.

B. Allocation of Materials by the Agency

1. The Agency would review proposals submitted by participating members desiring to receive allocations of Agency stocks in the light of uniform and equitable criteria, including:
 - a. The use to which material would be put, including scientific and technical feasibility.
 - b. The adequacy of plans, funds, technical personnel, etc., to assure effective use of the material.
 - c. Adequacy of proposed health and safety measures for handling and storing materials and for operating facilities.
 - d. Equitable distribution of available materials.
2. Title to nuclear materials would initially remain with the Agency, which would determine fair payment to be made for use of materials.
3. In order to insure that adequate health and safety standards were being followed, and in order to assure that allocated fissionable material is being used for the purposes for which it was allocated, the Agency would have the continuing authority to prescribe certain design and operating conditions, health and safety regulations, require accountability and operating records, specify disposition of byproduct fissionable materials and wastes, retain the right of monitoring and require progress reports. The Agency would also have authority to verify status of allocated material inventories and to verify compliance with the terms of issuance.
4. Information about all transactions entered into by the Agency would be available to all members.

C. Information and Service Activities of the Agency

1. All member nations possessing information

relevant to the activities of the Agency would be expected to make contributions from that information to the Agency.

2. In addition to data developed as a result of its own activities, the Agency would have available:
 - a. Data developed by participating countries as a result of the utilization of the materials, information, services, and other assistance of the Agency.
 - b. Data already publicly available in some of the countries.
 - c. Data developed and previously held by principals or other members and voluntarily contributed to the Agency.
3. The Agency would encourage the exchange of scientific and technical information among nations, and be responsible for making wide dissemination of the data in its possession.
4. The Agency would serve as an intermediary securing the performance of services by one participating country for another. Among the specific activities the Agency might provide would be the following:
 - a. Training and education.
 - b. Services concerned with developing codes for public health and safety in connection with the utilization of fissionable materials.
 - c. Consultative technical services in connection with the establishment and carrying on of programs.
 - d. Processing of nuclear materials (i. e., chemical separation and purification, fabrication of fuel elements, etc.).
 - e. Supply of special materials, such as heavy water.
 - f. Design and supply of specialized equipment.
 - g. Special laboratory services such as conduct of experiments and tests.
 - h. Aid in making financial arrangements for the support of appropriate projects.

**AIDE MEMOIRE HANDED TO SECRETARY
DULLES BY MR. MOLOTOV, GENEVA,
APRIL 27**

[Translation]

In connection with the memorandum of the Government of the U. S. A. dated March 19, containing supplementary explanations concerning the international organ (agency) of atomic energy, discussed in President Eisenhower's statement of December 8, 1953, the Soviet Government considers it necessary to state the following considerations.

In the aforementioned statement of the President of the U. S. A. which underlined the special danger of the atomic weapon, a proposal was made that the appropriate states allocate a small part of the atomic materials out

of their stocks for the disposal of the International Agency to use for peaceful needs. In the memorandum of March 19 several details of the organization of the aforementioned International Agency were given, but those remarks which were made by the Soviet Government in its statement of December 21 concerning the statement of the President of the U. S. A. on December 8 were completely ignored. Nevertheless, these remarks of the Soviet Government aim to achieve an agreement concerning the prohibition of atomic weapons and to secure the acceptance of an obligation by the states in the very near future not to use atomic and hydrogen weapons, which are by their nature weapons of aggression.

In his address of December 8 the President of the U. S. A. declared "My country wants to be constructive, not destructive. It wants agreements, not wars, among nations." In this statement the President of the U. S. A. also said: "The United States, heeding the suggestion of the General Assembly of the United Nations, is instantly prepared to meet privately with such other countries as may be 'principally involved', to seek 'an acceptable solution' to the atomic armaments race which overshadows not only the peace, but the very life, of the world."

These statements of the President of the U. S. A. expressed wishes for peace, a yearning to find a solution of the problem of the atomic armament race, together with representatives of other countries, and a desire to achieve "agreements, not wars, among nations." Inasmuch as it is the constant aspiration of the Government of the U. S. S. R. to assist in strengthening peace among nations and under present conditions, in particular, to assist in the elimination of the threat of an atomic war, the Soviet Government has expressed readiness to take part in the appropriate negotiations.

However, the Soviet Government has considered and still considers it necessary to call special attention to the following.

First: The proposal of the U. S. A. that the appropriate states place a small part of atomic materials out of their stocks at the disposal of the International Organ to be used for peaceful needs, cannot assist in the achievement of the aims set forth in the aforementioned address of the President of the U. S. A. By such an allocation of a small part of the atomic materials for peaceful needs, the principal mass of the atomic materials will go, as before, for the production of new atomic and hydrogen bombs, which means a further accumulation of atomic weapons and the possibility of creating new types of this weapon of more destructive force. Such a situation means that the states which have the opportunity to produce atomic and hydrogen weapons will not be restrained at all in the further increase of stocks of this weapon.

The allocation of a small portion of atomic materials out of the stocks in existence to be utilized for peaceful needs may only create the appearance that the quantity of atomic materials allocated for the production of atomic and hydrogen weapons is being decreased. But, in reality that is not the case at all. The production of atomic materials in a number of countries has been

growing with each year so fast that the allocation of a certain part for peaceful needs will by no means reduce the quantity of the newly produced atomic and hydrogen bombs. Consequently, even in case the U. S. proposal should be carried out, it would be impossible to say that the atomic armament race is being stopped, as was said in the statement of the President of the U. S. A. of December 8.

The level of science and technique which has been reached at the present time makes it possible for the very application of atomic energy for peaceful purposes to be utilized for increasing the production of atomic weapons.

It is well known that it is practically feasible to carry out on an industrial scale a process of obtaining electrical power for peaceful needs by utilizing atomic materials, in which the quantity of the fissionable atomic materials applied in the process not only fails to decrease but, on the contrary, increases. And the harmless atomic materials are converted into explosive and fissionable materials which are the basis for the production of atomic and hydrogen weapons. In other words, the fact that the peaceful application of atomic energy is connected with the possibility of simultaneous production of atomic materials utilized for the manufacture of the atomic weapon is indisputable and has been proved in practice. Such a situation not only fails to lead to a reduction of the stocks of atomic materials utilized for the manufacture of atomic weapons, but also leads to an increase of these stocks without any limitations being applied either to the constantly increasing production of these materials in individual states or to production by the International Agency itself.

Consequently, the proposal of the U. S. A. concerning the allocation of a certain portion of atomic materials to be utilized for peaceful purposes not only fails to stop the atomic armament race but leads to its further intensification.

Second: The U. S. proposal of December 8, as well as the U. S. A. memorandum of March 19, completely evades the problem of the inadmissibility of the use of atomic weapons, which are weapons of mass destruction.

The acceptance of President Eisenhower's proposal would by no means restrict the aggressor in utilizing atomic weapons for any purpose and at any time and consequently would not diminish at all the danger of a war with the use of atomic and hydrogen weapons.

Thus, the acceptance of the aforementioned proposal of the U. S. A. would not introduce any change into the existing situation, when states which have at their disposal atomic materials and appropriate manufacturing and technical possibilities for the production of atomic weapons produce them on an increasing scale and accumulate stocks of atomic and hydrogen bombs of more and more destructive power. Besides, all this takes place under conditions of complete absence of any international agreement whatsoever which binds states in the application of atomic and hydrogen weapons.

However, it cannot be denied that recently there has been widespread uneasiness in many countries in connection with the increase in the destructive power of the atomic weapon and especially in view of the appearance

of the hydrogen weapon. It would be wrong not to consider these well-known facts and the ever-increasingly insistent demands not to permit the use of the atomic and the hydrogen weapon in warfare.

All this justifies the conclusion that neither the U. S. proposal of December 8 nor the U. S. memorandum of March 19 meets the basic purpose—elimination of the threat of atomic war.

In its statement of December 21 the Soviet Government pointed out that if the Government of the U. S. A., as well as the Government of the U. S. S. R. is striving to reduce international tension and strengthen peace, then the efforts of both Governments should be directed toward concluding an agreement for prohibiting the atomic weapon and toward establishing a suitable and effective international control over this prohibition. With such an international prohibition against the atomic weapon, broad possibilities would be opened for the use of atomic energy for peaceful purposes. Since the statement of December 8 of the President of the U. S. A. and the U. S. memorandum of March 19 both evade the question of prohibiting the atomic weapon and actually ignore the possibility of further unlimited increase in the production of this weapon and its use by an aggressor, the U. S. proposal for the creation of an international agency for the utilization of atomic energy does not reduce the danger of atomic warfare in the slightest. Moreover, it may even serve ends that are the exact opposite. This proposal to use some portion of the atomic materials for peaceful purposes may create the deceptive appearance of curtailing the production of the atomic weapon and may lead to the relaxing of vigilance on the part of nations with regard to the growing threat of war with the use of this weapon of aggression and mass destruction of people.

The fact that heretofore it has been impossible to conclude an appropriate agreement for the unconditional prohibition of atomic, hydrogen, and other types of weapons of mass destruction not only does not diminish the importance of efforts in this direction but, on the contrary, makes such efforts still more necessary, taking into account the ever-increasing danger for nations in connection with the continuing race in the production of the atomic and the hydrogen weapon. This applies especially to those states which have available the corresponding resources in atomic materials and are producing the atomic and the hydrogen weapon.

If the matter were reduced merely to agreements between states, that for peaceful purposes there should be allotted only some small portion of the atomic materials, but the production of the atomic weapon in the future also should not be restricted at all, then such an international agreement would in fact grant an inadmissible sanction to the production of the atomic weapon, which would suit the convenience of the aggressive forces only. This sort of international sanction of the production of the atomic weapon not only would not facilitate the conclusion of an agreement for its prohibition but would, on the contrary, be a new obstacle on the road to the conclusion of such an agreement.

It is indispensable that not merely some portion, but the entire mass of atomic materials be directed entirely to peaceful purposes, that the achievements of science in

this field serve not purposes of war and mass destruction of people but purposes of improving economic life and culture, which would open up unprecedented opportunities for improving industry, agriculture, and transportation, for use in medicine, for perfecting technical processes and the further progress of science.

The prohibition of the atomic and the hydrogen weapon and the utilization of all atomic materials for peaceful purposes, supplying the proper aid to regions that are economically weak, would at the same time promote the possibility of concluding an agreement on the matter of a decisive reduction in conventional types of armaments. This would make it possible to greatly alleviate the tax burden which nations are bearing as a result of the existence in many states of inordinately swollen armies, since the armament race goes on.

Desiring to facilitate the possibility of concluding an agreement for the unconditional and complete prohibition of the atomic weapon and the establishment of appropriate international control, the Soviet Government, having expressed its readiness to take part in negotiations with respect to the proposal of the Government of the U. S. A., has, on its part, introduced the following proposal for consideration:

Being guided by the desire to reduce international tension, the states participating in the Agreement undertake the solemn and unconditional obligation not to use atomic, hydrogen, or any other weapon of mass destruction.

This proposal was set down as the basis for the draft of a declaration of the Governments of the U. S. A., Great Britain, France, the Chinese People's Republic, and the Soviet Union, a draft which the Soviet Government communicated on January 30 to the Government of the U. S. A., as well as to the Governments of Great Britain, France, and the Chinese People's Republic. The adoption of the obligation of unconditional repudiation of the use of the atomic and the hydrogen weapon by states, and first of all by the Great Powers, would mean a great step toward relieving humanity of the threat of atomic war with its countless sacrifices and hardships.

The Soviet Government observes that the Government of the U. S. A. has so far not only failed to recognize the necessity for the urgent prohibition of the atomic and hydrogen weapon and for the establishment of appropriate international control over this prohibition, but it has also failed to express readiness to come to an understanding on the unconditional repudiation by states of the use of the atomic, the hydrogen, or any other weapon of mass destruction. In this connection, the Soviet Government attaches special importance to achieving coordination between the positions of the U. S. S. R. and the U. S. A. with regard to the adoption by states of the solemn and unconditional obligation not to use the atomic, the hydrogen, or any other weapon of mass destruction. Consideration of the separate proposals regarding partial utilization of atomic materials for peaceful purposes, without agreement between states on repudiating the use of the atomic weapon, would not contribute anything at all toward reducing international tension and the danger of war. Besides, it might lead to a blunting of the vigilance of nations with regard to this danger.

In view of the considerations cited and in accordance with General Eisenhower's statement concerning the desire of the U. S. A. to reduce international tension, the Soviet Government considers it urgently necessary in the first place to arrive at an agreement between the U. S. S. R. and the U. S. A. on the question of repudiating the use of the atomic weapon, without which the negotiations initiated cannot yield the proper results, in which the peoples of our countries and other states are interested.

As far as the other questions dealt with in the U. S. memorandum of March 19 are concerned, the inadequacy and one-sidedness of which are obvious, they can be considered as a supplement, after arriving at agreement on the fundamental questions.

INFORMAL PAPER LEFT WITH MR. MOLOTOV BY SECRETARY DULLES, GENEVA, MAY 1

1. I have now read the aide-memoire of the Soviet Union of April 27 re the proposal for "an international atomic energy agency" submitted to the Soviet Ambassador in Washington on March 19. This aide-memoire criticizes the proposal on the grounds that it would not substantially reduce atomic material stockpiles, or control the making or use of atomic weapons or remove the threat of atomic war.

2. These criticisms misconstrue the purpose of the US proposal of March 19. By its terms this proposal was not intended as a measure for the control of atomic weapons or for solving itself the various other problems mentioned in the Soviet note. Its purpose was the more limited one of initiating international cooperation in the field of atomic energy on a basis which would avoid many of the obstacles which have heretofore blocked any agreement. In this way the proposal could contribute to improving relations among the cooperating nations and thereby to facilitating solution of the more difficult problem of effective control of atomic energy for military purposes.

3. Accordingly, the US cannot concur in the view of the Soviet Union that creation of an international agency to foster the use of atomic materials for peaceful purposes would not be useful in itself. On the contrary, it believes that such an agency could have valuable results both in encouraging closer cooperation among the participating nations and in expediting more extensive use of atomic energy for purposes beneficial to mankind. The US therefore regrets that the Soviet Union is not willing to explore this matter further at this time.

4. In view of the lack of interest now of the Soviet Union in pursuing this proposal, the US will feel free to examine the creation of such an agency with other nations which might be interested. If the Soviet Union should later decide that it wishes to take part in any such discussions, the US will, of course, welcome its participation.

5. The US proposal of March 19 was, of course, not intended as a substitute for an effective system of control of atomic energy for military purposes. The US will continue, as heretofore, to seek means of achieving such control under reliable and adequate safeguards. It is

prepared to continue exchanges of views with the Soviet Union for that purpose, and will shortly submit to the Soviet Union comments on its proposal referred to in its aide-memoire of April 27.

**MEMORANDUM HANDED TO AMBASSADOR
ZARUBIN BY ASSISTANT SECRETARY
MERCHANT, WASHINGTON, JULY 9**

The United States has further considered the draft declaration of January 30 and Aide-Memoire of April 27 delivered by the Soviet Union to the United States. The United States wishes to make the following comments:

I.

1. The President's speech of December 8, 1953 to the United Nations General Assembly pointed out the dangers of the atomic armaments race and stressed the desire of the United States to remove these dangers by any effective method which includes adequate safeguards against violations and evasions. The United States would welcome any system of disarmament which would serve to protect the peoples of the world from the threat of war and relieve them of the heavy burden of military defense in a manner consistent with their security.

2. The United States is also aware of the difficulties which have been experienced since 1946 in trying to negotiate a disarmament plan. From that date until the present, the United States has persistently sought, alone and in concert with other nations, to find ways of easing the burden of armaments and of lessening the threat of war. In the United Nations Atomic Energy Commission from 1946 through 1948, in the Commission for Conventional Armaments from 1947 through 1950, in the special meetings of the Six Permanent Members of the United Nations Atomic Energy Commission in 1949 and 1950, and in the United Nations Disarmament Commission since 1951, the overwhelming majority of nations was able to reach agreement—the Soviet Union alone prevented progress.

3. Despite this discouraging record, the President, in his address on December 8, stated that the United States, heeding the resolution of November 28, 1953 of the General Assembly of the United Nations, was "prepared to meet privately with such other countries as may be 'principally involved' to seek 'an acceptable solution' to the atomic armaments race which overshadows not only the peace but the very life of the world."

II.

4. In his address, the President also stated that the United States would carry into these talks a new proposal for an international atomic energy agency to expedite the use of atomic energy to serve the peaceful pursuits of mankind. In its memorandum of March 19, the United States explained in more detail its views on the method for converting this conception into a practical reality. The Aide-Memoire of April 27 of the Soviet Union appears to misconstrue completely the purpose of this specific proposal.

5. This proposal was intended to make a beginning toward bringing to the peoples of the world the peaceful benefits of atomic energy. This offer by the United States to join with other nations having atomic facilities to furnish fissionable material and atomic energy technology for the common benefit, would provide a new opportunity for international cooperation. Successful cooperation in the implementation of the President's proposal would surely result in an improved atmosphere, which, in turn, could significantly improve the prospects for genuine, safeguarded international disarmament. The proposal itself was not put forward as a disarmament plan.

6. The Soviet Aide-Memoire of April 27 states in effect that the USSR will not cooperate in steps to achieve peaceful benefits of atomic power for the world until the United States agrees to a ban on the use of atomic weapons. The primary reason given for this position is that under the President's United Nations proposal, stockpiles of weapon grade material could continue to increase after the international agency had been established. Yet the Soviet proposal for a ban on weapons' use would not in any way prevent such increases in stockpiles. Accordingly, the United States cannot agree that the Soviet position provides a valid objection to proceeding at this time with steps for promoting the peaceful uses of atomic energy.

7. The Soviet Union also appears to assume that any form of peaceful utilization of atomic energy must necessarily increase stocks of materials available for military purposes. In reality, however, ways can be devised to safeguard against diversion of materials from power producing reactors. And there are forms of peaceful utilization in which no question of weapon grade material arises.

8. The United States believes that the nations most advanced in knowledge regarding the constructive uses of atomic energy have an obligation to make it available, under appropriate conditions, for promoting the welfare of peoples generally. At the present stage of nuclear technology, the United States believes that it is now possible to make a beginning in this direction. Accordingly, the United States will feel free to go ahead with its proposal with other interested nations, even though the Soviet Union does not wish to pursue it at this time. If at a later time the Soviet Union should decide to take part in any such discussions, the United States will continue to welcome such participation.

III.

9. The Soviet Union refers to its proposal of January 30 for an international agreement calling for unconditional renunciation of the use of atomic, hydrogen and other forms of weapons of mass destruction. The United States has thoroughly and earnestly considered this proposal in accordance with its oft-declared policy to examine with an open mind all suggested approaches to the problem of disarmament.

10. In the opinion of the United States, any effective plan for disarmament must provide satisfactory answers to two fundamental questions:

a. First, will the plan result in an actual reduction or

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elimination of national armaments in a manner consistent with the security of each nation? A paper promise not to use weapons will not enable the nations safely to reduce their armaments. The very existence of any weapon poses the possibility of its use, despite promises not to do so, which can be broken without notice.

b. Second, will the plan materially reduce or eliminate the danger of aggression and warfare? If any plan would, in fact, tend to increase the danger of resort to war by a potential aggressor, it would not accomplish the basic purpose of disarmament.

11. The Soviet Union's proposal of January 30 fails to meet either of these basic tests, or to offer any hope for beneficial results in the disarmament field:

a. It would leave unimpaired existing armaments and continued armament production. This is clear from the terms of the Soviet proposal itself. There would be only an exchange of promises not to make use of weapons which are still retained. There could be no certainty that these assurances would be observed. The maintenance of stocks of weapons and the continued manufacture of weapons would bear ominous witness to the danger that the assurances might be disregarded.

b. The danger of aggression and war would not be lessened if the Soviet proposal were put in effect. Indeed, it could be increased, since the deterrent effect upon a potential aggressor of the existence of nuclear weapons would doubtless be lessened if his possible victims had undertaken an obligation not to use them. Such an aggressor might be tempted to initiate an attack in the hope that the ban would prevent or delay the use of such weapons in the defense of his victims. Yet, the aggressor with nuclear weapons would be in a position to repudiate his past assurances and employ nuclear weapons whenever it suited his interests. Thus, such a plan might merely serve to induce aggression and weaken its victims.

12. Not only does the Soviet proposal fail to meet the necessary tests of any effective plan to prevent atomic warfare, but it would in fact harm the chances of adoption of any such effective plan. For surely the Soviet proposal, if it were accepted, would tend to create the deceptive impression that the danger of atomic warfare had somehow been limited and weaken the vigilance of the people regarding a threat which had, if anything, increased. This false sense of security could discourage further efforts to achieve genuine disarmament under effective safeguards, which would actually enhance the security of all, reduce the danger of war, and lighten the heavy burden of armaments.

IV.

13. The United States reaffirms, as it did in the resolution adopted by the United Nations General Assembly on November 17, 1950, that, whatever the method used, aggression itself is the gravest of all dangers. Only if there is aggression will the world be exposed to the horrors of modern war.

14. The signatories of the United Nations Charter have undertaken solemn assurances not to commit aggression. In conformity with its historic traditions, the United States will never violate that pledge. But, as indicated, the United States is convinced that the only truly effective way to ensure that aggression will not take place and that nuclear weapons will not be used in war is to adopt a safeguarded, balanced system of disarmament. Such a system could materially reduce the chance of successful aggression, and thereby minimize the risk of any aggression at all.

15. The United States continues to believe that a solution of the armaments problem is essential. Despite its inability to accept the Soviet proposal, the United States is ready at all times to discuss acceptable measures for effective disarmament under proper safeguards. It is prepared to do so either in the continuation of private exchanges or in the United Nations Disarmament Commission. In view of the urgency of disarmament, the United States will welcome such a continuation if the Soviet Union considers it a useful means for seeking a common approach to this problem.

16. The United States also hopes that, in the light of the foregoing, the Soviet Union will wish to comment further on the concrete proposal submitted by the United States on March 19, 1954. In any event the United States is prepared to renew with the Soviet Union at any time the talks on the President's proposal.

DEPARTMENT OF STATE,
Washington, July 9, 1954.

AIDE MEMOIRE HANDED TO AMBASSADOR BOHLEN BY MR. GROMYKO,⁴ MOSCOW, SEPTEMBER 22

[Translation]

The Soviet Government has examined the U.S. Government's memorandum of July 9, 1954, which is in answer to the U.S.S.R. Government's aide memoire of April 27 and considers it necessary to state the following:

In the above-mentioned aide-memoire of April 27 the Soviet Government set forth certain observations in connection with the U.S. Government's proposal concerning the establishment of an International Organ for Atomic Energy, which was discussed in President Eisenhower's statement of December 8, 1953. The Soviet Government drew attention to the fact that the implementation of the U.S.A.'s proposal, which provides that appropriate states allot from their stockpiles a certain part of atomic materials to the disposition of the International Organ to be used for peaceful purposes, cannot contribute to stopping the atomic armaments race. In this connection the fact was pointed out that states which have the ability to produce atomic and hydrogen weapons will in no way be hampered in further increase of stockpiles of them by allotting only a small part of atomic materials to peace-

⁴ Andrei Gromyko, Deputy Foreign Minister.

ful purposes while the main body of these materials will as before go for production of atomic weapons.

In the above-mentioned aide memoire of April 27 the Soviet Government also drew attention to the fact that the United States of America's proposal avoids the question of the impermissibility of using atomic weapons which are weapons of mass destruction, and that acceptance of this proposal of the U.S.A. would bring about no change in the existing situation, whereby states disposing of atomic materials and corresponding possibilities for production of atomic weapons are producing them on an ever-increasing scale and are building up stockpiles of atomic and hydrogen bombs of ever greater destructive force.

Such a situation would mean that in fact inadmissible international approval would be given to the production of atomic weapons, a fact which not only would not facilitate the attainment of agreement regarding prohibition of atomic weapons and their removal from state armaments but on the contrary would create new obstacles on the path of reaching such agreement. It is not hard to understand that this would serve the purpose only of a potential aggressor; thus the U.S.A.'s proposal does not satisfy the basic aim—to remove the threat of atomic war.

In its memorandum of July 9 the Government of the U.S.A. speaks of its desire to seek, together with other countries, ways of lessening the threat of war and lightening the armaments burden. The Soviet Government is of the opinion that, if the Government of the U.S.A. as well as the Government of the Soviet Union desires to lessen the threat of war and lighten the armaments burden, the efforts of both Governments should be directed toward the attainment of an agreement regarding prohibition of atomic weapons with the establishment of strict international supervision over this prohibition and regarding substantial limitation on conventional armaments of states.

With just this end in mind the Soviet Government has more than once advanced proposals in the United Nations which provide for the conclusion of an international convention regarding unconditional prohibition of atomic weapons and other types of weapons of mass destruction and regarding substantial limitation of conventional armaments. In advancing these proposals the Soviet Government based itself on the fact that they answer the ever-increasing popular demands to put an end to the armaments race, including in field of atomic weapons, and to take urgent measures to deliver humanity from the horrors of destructive atomic war. Despite the assertion contained in the American memorandum of July 9, it is not the Soviet Union but the Government of the U.S.A. which has up to the present time prevented the conclusion of an agreement under conditions acceptable to all sovereign and equal states, both regarding prohibition of atomic weapons and also regarding substantial limitation of conventional armaments with establishment of effective supervision over fulfillment of such decisions.

International agreement regarding prohibition of atomic weapons with establishment of appropriate supervision over this prohibition would open wide possibilities for use of atomic energy for peaceful purposes.

As is known, up to this time it has not been possible

to reach appropriate international agreement regarding unconditional prohibition of atomic, hydrogen, and other types of weapons of mass destruction, in view of the fact that the United States from the very beginning of the arising of the atomic problem has refused to take part together with other states in an international agreement prohibiting atomic weapons.

However, the circumstance that it has not been possible to reach such agreement up to the present time should not diminish the significance of efforts to reach the required agreement between interested states.

Such a new effort on the Soviet Government's part to find a way out of the existing situation was the Soviet Union's proposal that states take upon themselves the *unconditional obligation not to use atomic, hydrogen, or other types of weapons of mass destruction*. This proposal in the form of a draft of an appropriate declaration by states was transmitted to the United States Secretary of State, Mr. Dulles, on January 30.

Renunciation by states of the use of atomic, hydrogen, and other types of weapons of mass destruction would be an important step on the path toward removal from state armaments of these types of weapons and establishment of strict international supervision guaranteeing fulfillment of an agreement regarding prohibition of use of atomic energy for military purposes. Acceptance of the above-mentioned declaration would have tremendous significance in the matter of removing the threat of war in which atomic weapons would be used, would contribute to strengthening international trust and lessening international tension, and also to improving atmosphere, the importance of which the U.S. Government refers to in its aide memoire.

As is apparent from the U.S. Government's memorandum of July 9, the Government of the U.S.A. has taken a negative position with regard to the above-mentioned proposal of the Soviet Union. As an objection to the Soviet proposal the U.S. Government refers to the alleged fact that it cannot be sure that an agreement regarding unconditional renunciation by states of use of atomic and hydrogen weapons will be carried out. However, if one takes this point of view, one must in such a case recognize that almost any international treaty or any agreement, and also consequently obligations undertaken in accordance with it, must be placed in doubt. It stands to reason that it is impossible to agree with this, since it contradicts established principles and standards of relations between states.

In reality the international obligations of states which could arise out of a declaration regarding the renunciation of use of weapons of mass destruction could have not less but rather far more significance than certain important international agreements concluded in the past whose positive significance is generally recognized.

It is known that during the First World War, when there was as yet no corresponding international agreement, there were widely used such weapons of mass destruction as suffocating and poisonous gases and also other types of chemical weapons which met with the decisive condemnation of peoples. Specifically in this connection the necessity was recognized of concluding an interna-

tional agreement forbidding the use of such types of weapons of mass destruction of people. As a result, the Geneva Protocol concerning prohibition of chemical and bacteriological weapons was signed in 1925. It is known that this protocol played an important role in preventing the use of chemical and bacteriological weapons during the Second World War, as a result of which peoples were spared the grave consequences of use of these weapons by belligerents.

This fact shows that international agreements containing obligations not to use specific types of weapons in war are not only possible but necessary and are important means of struggling for the strengthening of peace. This should be all the more applicable to an agreement concerning the most destructive weapons known to mankind, atomic and hydrogen weapons.

Also groundless is the allegation contained in the U.S. Government's aide memoire that international agreement on the renunciation by states of the use of atomic and hydrogen weapons could increase the danger of war, as is also the assertion that the existing situation, which is characterized by an unlimited race in the field of production of atomic weapons, creates greater security than the conclusion of an agreement on renunciation by states of the use of the types of weapons mentioned. Such an assertion is in clear contradiction to the actual situation and to the facts. It was specifically with the appearance of atomic and then hydrogen weapons, and also of rocket and other new types of weapons of mass destruction of ever-growing destructive force, that the armaments race, including the race in production of atomic and hydrogen weapons, especially gained intensity and at the same time the threat increased of atomic war with all the grave consequences ensuing therefrom for all peoples.

On the other hand, the renunciation by states of the use of atomic and hydrogen weapons would change the international situation, would assist in further reduction of tension in international relations and would lighten the burden of the armaments race and excessive expenditures on the maintenance in many states of swollen armed forces. This, in its turn, would create conditions for the transition to the next step, to complete the prohibition of atomic and hydrogen weapons and their removal from the armaments of states.

In the Soviet Government's aide memoire of April 27 of this year attention was drawn to the fact that it is possible to carry out the process on an industrial scale of generating electrical energy through utilization of atomic materials whereby the quantity of fissionable materials used does not decrease but rather, on the contrary, increases. At the same time nondangerous materials are turned into dangerous and explosive materials capable of serving as the basis for production of atomic and hydrogen weapons. This means that the peaceful use of atomic energy is tied to the possibility of simultaneously producing explosive atomic materials for manufacture of atomic weapons, which immutably leads to an increase in the scale of production of atomic weapons and an increase in the stocks of these.

In the U.S. Government's memorandum it is stated that forms of peaceful utilization of atomic energy are possible in which ways can be found to guarantee against

seepage of materials from factories producing energy and that according to the opinion of the U.S. Government there are forms of peaceful utilization in which the question of materials going into production of atomic weapons does not arise. The Soviet Government is ready to examine in course of further negotiations the U.S. Government's views on this question.

The proposal of the U.S. Government and the proposal of the Soviet Government, as well as the views expressed by both Governments in the course of negotiations show that it has not yet been possible to harmonize the positions of the parties on a number of substantive questions. In the course of negotiations the Soviet Government insisted and continues to insist on the necessity for international agreements which would insure that atomic energy would not be permitted to be used for military purposes and would make its use possible only for peaceful purposes, for the good of mankind. The U.S. Government also states that it desires to cooperate in the peaceful utilization of atomic energy.

Inasmuch as reconciling positions of the U.S.A. and the Soviet Union on this question has an important significance for the achievement of international agreement regarding the use of atomic energy for peaceful purposes, the Soviet Government deems it desirable for both Governments to continue efforts to bring the positions of the parties closer together. One must not consider that the possibilities of making the positions of the parties agree have been exhausted, especially if one takes into account the fact that a number of concrete questions which arise, both in connection with the proposal of the Soviet Union and in connection with the proposal of the United States, have not yet been subjected to proper examination. Moreover, thorough examination of these questions could assist in further clarification of the possibilities of reaching an appropriate agreement.

In this connection the Soviet Government would consider it expedient to draw the attention of the U.S. Government to certain important principles which one must not overlook in considering the question on international cooperation in the field of peaceful uses of atomic energy. The Soviet Government proceeds from the principle that an important prerequisite to international agreement in this field is recognition that any such agreement should not place any one state or group of states in privileged position whereby this state or group of states could enforce its will on other states. This is particularly worthy of emphasis in connection with the U.S. Government's proposal having to do with structure and governing bodies of the International Agency.

Any International Organ created on the basis of an appropriate agreement between states can only successfully carry out its functions if its competence, sufficiently wide to permit it effectively to fulfill the tasks entrusted to it, is not at the same time utilized to the detriment of the security of some of the other states. It can answer its purpose only if its competence and tasks, as well as its practical activity, are in conformity with generally recognized principles of the charter of the United Nations.

The Soviet Government shares the opinion of the U.S. Government regarding the thesis that the appropriate International Organ would report concerning its activity

to the Security Council and the General Assembly. It goes without saying that when, in this connection, questions arise having to do with the security of some of the other states, necessary decisions must be taken specifically by the Security Council in accordance with its powers as the Organ on which is placed principal responsibility for the maintenance of peace and international security. This was recognized as early as January 1946 when the first decision of the United Nations concerning atomic problems was taken.

The Soviet Government taking into consideration the declaration of the Government of the U.S.A. concerning willingness at any time to renew the negotiations connected with the peaceful uses of atomic energy, for its part declares its willingness to continue these negotiations for the examination of the proposals of the Soviet Government as well as the proposals of the Government of the U.S.A.

In conclusion, the Soviet Government would like to know the opinion of the U.S. Government as to whether it is not desirable that all documents which have been mutually exchanged between the Governments of the Union of Soviet Socialist Republics and the United States of America during the course of the conversations which have taken place on the atomic problem should be published in the press of the Soviet Union as well as the press of the U.S.A. respectively in order that public opinion might be informed concerning the contents of these negotiations. In this connection the Soviet Government takes into consideration the fact that in the course of the conversations which have taken place between the Soviet Union and the U.S.A., communications have appeared in the press which imprecisely elucidate certain questions concerning the position of the parties.

LETTER FROM AMBASSADOR BOHLEN TO MR. GROMYKO, MOSCOW, SEPTEMBER 23

DEAR MR. GROMYKO: I have the honor to refer to the aide-memoire which you handed to me on September 22 and to inform you that the United States Government is willing to publish all documents exchanged between the Governments of the Union of Soviet Socialist Republics and the United States of America regarding the proposal advanced by the President of the United States of America on December 8, 1953, with respect to the international use of atomic energy for peaceful purposes.

Sincerely yours,

CHARLES E. BOHLEN

Nine-Power Conference on European Security

STATEMENT BY SECRETARY DULLES

Press release 530 dated September 25

I am now leaving to attend the nine-power conference in London. It has been called to consider

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the serious situation resulting from the rejection of the plan for a European Defense Community. We shall explore new approaches to the difficult problems which the EDC plan was designed to solve.

The failure of EDC has raised doubt as to the validity of certain assumptions which have been at the very heart of the Atlantic security system. One such assumption is that the German Federal Republic will be associated with the family of free nations as a sovereign and equal partner and will make a material contribution to the common defense program. Another is that the nations of Western Europe will achieve a high degree of military, political, and economic unity among themselves.

Now the feasibility of the whole collective security program must be reexamined.

Most Americans have come to realize that it is no longer possible to turn back the clock and seek security through isolation. We also know that we cannot afford to gamble our safety and our survival on arrangements and programs that have no reasonable prospect of providing genuine security.

We are encouraged by the initiative taken by the Governments of the United Kingdom and France in developing new proposals. The United States believes that the primary responsibility for new proposals rests with the European States. Therefore, we take with us no specific proposals of our own. But we do go, to be helpful if we can.

U.S. DELEGATION TO LONDON TALKS

Press release 528 dated September 24

Following is the U.S. delegation to accompany Secretary Dulles to the nine-power talks opening in London on September 28:

Assistant to Mr. Dulles

Roderic L. O'Connor, Special Assistant to the Secretary

Special advisers

Winthrop W. Aldrich, Ambassador to Great Britain
Robert R. Bowie, Director, Policy Planning Staff, Department of State

David K. E. Bruce, U.S. Representative to European Coal and Steel Community

James B. Conant, U.S. High Commissioner to Germany
H. Struve Hensel, Assistant Secretary of Defense for International Security Affairs

John C. Hughes, U.S. Permanent Representative on North Atlantic Council

Carl W. McCardle, Assistant Secretary of State for Public Affairs

Livingston T. Merchant, Assistant Secretary of State for European Affairs

Press officer

Henry Suydam, Chief, News Division, Department of State

Advisers

Col. Joseph C. Anderson, Deputy Chief, European Division, Office of Foreign Military Affairs, Department of Defense

Roger Ernst, Assistant for Plans and Coordination, European Division, Office of Foreign Military Affairs, Department of Defense

Russell Fessenden, Office of European Regional Affairs, Department of State

Charles D. Hilles, Hrcog Representative, Bonn Working Group, Bonn

Coburn B. Kidd, Officer in Charge, German Political Affairs, Department of State

Edwin M. Martin, Director, Office of Political Affairs, U.S. Mission to Nato and European Regional Organizations, Paris

Ben T. Moore, Director, Office of European Regional Affairs, Department of State

John M. Raymond, Assistant Legal Adviser for German Affairs, Department of State

Jacques J. Reinstein, Special Assistant to Assistant Secretary for European Affairs, Department of State

Col. Richard S. Silver, Military Assistant to Assistant Secretary Hensel, Department of Defense

William R. Tyler, Deputy Director, Office of Western European Affairs, Department of State

Coordinator

Arthur C. Nagle, Executive Secretariat, Department of State

Secretary of delegation

Donald B. Eddy, Senior Conference Officer, Office of International Conferences, Department of State

Anniversary of Death of Bulgarian Patriot

Statement by Under Secretary Smith

Press release 522 dated September 22

Seven years ago tomorrow Nikola Petkov was hanged by the Bulgarian Communist Government because he dared to oppose it. As the leader of the opposition, Petkov waged a courageous struggle for representative government, justice, and human liberties, but his voice was silenced in the traditional Communist manner. Since his death the forces against which he fought have gained full control in Bulgaria.

The Bulgarian Communist regime, by means of the judicial murder of Nikola Petkov, demonstrated once again its callous disregard for human rights and fundamental freedoms. It has continued to conduct itself in this manner, thereby not only violating the provisions of the Treaty of Peace but also the dictates of justice and humanity.

The American people and the other peoples in the free world have not forgotten Nikola Petkov.

His self-sacrifice remains an inspiring example to free men everywhere. To the millions of oppressed peoples behind the Iron Curtain Petkov is justly a symbol of determination that one day they will again have governments of their own choosing.

First U.S. Flood Relief Cargo Leaves for Austria

The first U.S. relief cargo for victims of this summer's Danube River floods was scheduled to leave for Austria about September 14, according to an FOA announcement of September 8. The cargo, consisting of some 9,500 tons of corn for livestock feed, was to be loaded on the Liberty ship *Norcuba* of the North Atlantic & Gulf Steamship Company at Philadelphia. The ship is expected to reach Trieste the first week in October, where the corn will be delivered to the Austrian Government for shipment by rail to Austria.

This is the first shipment of 25,000 metric tons of corn, valued at \$1.9 million, to be sent to Austria under President Eisenhower's offer of agricultural commodities for European flood victims. The remainder of the 25,000 tons will follow in the near future. Needs of the other countries named by President Eisenhower in the U.S. offer—the Federal Republic of Germany, Yugoslavia, East Germany, Hungary, and Czechoslovakia—are being surveyed by local authorities, Red Cross officials, and U.S. representatives.

After a survey of the flood areas, the Austrian Government found that corn was needed to help replace the feed grain and feed potatoes lost in the July floods. The 25,000 tons of corn not only will help Austrian farmers by fully replacing their feed crop losses but also will help to maintain the overall Austrian food supply at preflood levels.

President Eisenhower authorized the use of the corn for Austria under the Agricultural Trade Development and Assistance Act of 1954. Title II of this act permits the President to grant surplus agricultural commodities from Commodity Credit Corporation stocks to friendly nations or populations in order to meet famine or other urgent relief requirements.

The Austrian Government has agreed to provide transportation for the 25,000 tons of corn from Trieste to Austria and to distribute it on an

equitable basis, according to crop losses and free of charge, to the flood victims. As specified by the U.S. legislation, the corn will be identified as a gift for the people of Austria from the people of the United States.

**Iranian Message of Sympathy
Concerning Hurricane Damage**

White House Office press release dated September 10

The White House on September 10 made public the following exchange of cables between the President and the Shah of Iran.

The President to the Shah

YOUR IMPERIAL MAJESTY: Your Imperial Majesty's message of sympathy concerning the tragic loss of life and property which a hurricane recently inflicted on the northeastern coast of the United States has touched me deeply. It is further evidence of your humanitarian feelings which are so widely recognized. I appreciate your message and the spirit which inspired it, and I wish to take this occasion to assure you again of my admiration for the way you have led your nation through the difficulties of the past few years to the present point where a future full of opportunity is opening before you and your people.

DWIGHT D. EISENHOWER

The Shah to the President

MR. PRESIDENT: I was deeply distressed by the news of the tragic loss of life and property which the recent hurricane inflicted upon your nation. I would like to express to Your Excellency and to the noble people of the United States the heartfelt sympathy of myself and that of my people.

REZA SHAH PAHLAVI

Visit of President Tubman

The Department of State announced on September 21 (press release 519) that arrangements are being completed for the visit of William V. S. Tubman, President of Liberia, and his party, who will visit Washington in October at the invitation of President Eisenhower. In extending the invitation in April this year, the President recalled

the traditional bonds of warm feeling which unite Liberia and the United States and emphasized the admiration of Americans for the achievements of Liberia and the role it plays in Africa.

His Excellency will arrive at Washington on October 18. After a state visit of 3 days in Washington, President Tubman expects to make an extended tour of about 3 weeks through the United States, which will take him to Baltimore, Akron, Chicago, Detroit, Cleveland, New York, Atlanta, and New Orleans; he will then depart for Haiti.

The President plans to visit various educational institutions, including Howard University, Morgan State College, the University of Chicago, Lafayette College, Lincoln University, Atlanta University, Tuskegee Institute, and Langston University.

U.S.-French Talks on Indochina

Press release 529 dated September 25

At the suggestion of the French Government, Guy La Chambre, Minister of State in Charge of Relations with the Associated States in the French Government, and General Paul Ely, French Commissioner General in Indochina, are coming to Washington to participate in conversations with officials of the U.S. Government which are expected to last from September 27 through September 29.

M. La Chambre and General Ely will take advantage of the presence in Washington of French Finance Minister Edgar Faure, who has arrived to take part in meetings of the Boards of Directors of the International Monetary Fund and the International Bank for Reconstruction and Development. M. Faure will join M. La Chambre and General Ely in their conversations with the U.S. Government.

These talks will be of an informal, exploratory nature and will concern matters primarily of mutual interest to the two Governments, particularly the status of U.S. financial assistance for the French Union forces in Indochina. Conversations will be held with high officials of the Departments of State and Defense and the Foreign Operations Administration.

The Governments of Cambodia, Laos, and Vietnam have been informed through their representatives in Washington of the purpose of these

talks and will continue to be kept informed. The means by which the U.S. Government can most effectively assist the three Associated States will be the subject of continuing consultations with their governments.

U.S.-Pakistan Friendship

by *Horace A. Hildreth*
*Ambassador to Pakistan*¹

In Pakistan we have a young nation, seven years of age, born at a time of trouble and turmoil and inheriting so many difficult problems that many people did not expect it to survive as long as it already has survived. Pakistan has by no means solved all of its pressing and difficult problems, but with the passage of even a few years, it has assumed a position of leadership in one of the troubled and uncertain areas of the world.

Pakistan has definitely repudiated communism as being utterly unacceptable to the principles of the Moslem religion. . . . The Government of Pakistan has recently outlawed the Communist Party and imposed the same restrictions on the freedom of mobility of the Russian diplomatic representatives in Pakistan that Russia has imposed upon the freedom of mobility of the diplomatic corps in Moscow. This does not mean, however, that the Communists have given up their efforts in Pakistan.

Having rejected communism largely on religious grounds, Pakistan has definitely cast its lot with the West with a degree of courage and firmness that is heartening to the entire Western world. The leadership of Pakistan is devoted to sound Moslem principles and is willing and anxious to take full advantage of modern developments that have occurred in the Western world in all walks of life. But most important of all, despite the vicissitudes facing Pakistan, their "will to do" never diminishes. In a world where too many peoples seem incapable of making up their minds, it is indeed heartening to see this young nation facing so many problems and forging ahead with determination, courage, and an honest appraisal of the facts of life.

¹ Excerpts from an address made at the Fletcher School of Law and Diplomacy, Medford, Mass., on Sept. 23 (press release 523 dated Sept. 22).

In addition to having cast its lot with the West, Pakistan is a firm friend of the United States, and the help that the United States has been able to give in the past and may be able to give in the future is not only appreciated but is helping to build a nation that is dedicated to the same principles for which the United States is working throughout the world.

Death of Japanese Fisherman

Statement by John M. Allison
*Ambassador to Japan*¹

I have just been informed of the death of Mr. Aikichi Kuboyama, member of the crew of the *Fukuryu Maru*. I speak on behalf of the Government and people of the United States in expressing extreme sorrow and regret at this most unhappy event. My deepest sympathy is extended especially to the family of the deceased.

Shipments to Hong Kong

Exporters now may ship more than 25 additional commodities to Hong Kong without applying for individual export licenses, the Bureau of Foreign Commerce, U.S. Department of Commerce, announced on September 16.

Items added to the list of nonstrategic commodities which may be exported under general license GHK without prior application to the Bureau include certain rubber gloves, boots and shoes; naval stores; dried fruits; pharmaceuticals; photographic, projection, and optical goods; and dental office and laboratory equipment.²

A detailed list of these additional items is published in the Bureau's Current Export Bulletin No. 737, dated September 16.

Correction

BULLETIN of September 27, 1954, p. 434: In the text of the Bonn communique, the sixth line of the second paragraph should read "and the free world, should, in the view of the two."

¹ Issued at Tokyo on Sept. 23 (press release 524).

² For an announcement of previous additions to the list, see BULLETIN of Feb. 1, 1954, p. 157.

U.S. Program for Return of Historic Objects to Countries of Origin, 1944-1954

by *Ardelia R. Hall*

The Department of State last month returned through the embassies at Washington important historic and artistic objects lost and displaced from their respective countries during World War II. The receiving governments, in turn, will arrange for the restoration of the items to the former owners. The objects have been recovered in the United States under the Government's postwar program for the restitution of cultural property. The most valuable of these objects entered the United States through trade channels.

All the objects returned at this time formerly belonged to state or municipal collections in Europe. They included Dutch archives of the Netherlands East Indies dating from 1767 to 1939; German archives of the 15th and 17th centuries, mainly from the town of Grebenstein in Hesse; English documents on parchment of the 17th century from London and Laxfield; a collection of 250 ancient seals, gems, and other objects from the Staatliche Münzsammlung (State Coin Collection) at Munich; 50 gold medals and coins from the historic collection of the Staatliche Kunstsammlung (State Art Collection) in the Schlossmuseum at Weimar; a banner from Aachen; a painting by the Dutch artist, Brekelenkam, from the Düsseldorf Kunstsammlung; a rare Würzburg missal of 1495 from the Mainfränkisches Museum at Würzburg; and, most important of all, a 10th-century codex or bound manuscript containing one surviving page of the Hildebrandslied from the Landesbibliothek (State Library) at Kassel and a 14th-century codex of "De Africa" by Petrarch, from the Biblioteca Civica of Trieste.

The Hildebrandslied (Song of Hildebrand) was an heroic poem in High German, written

about the year 800 A. D. The two surviving pages owned by the Kassel Library are among the most valuable manuscripts of world literature. The text was copied on parchment by the monks of Fulda. For over a thousand years these two parchment pages have survived. They were bound with a 10th-century manuscript on religious subjects, "Liber Sapientiae," where they were apparently reused as the end-pages of the later manuscript. The ancient poetry, written on the first page (*recto*) and the last page, or page 76 (*verso*), of the codex, is not only the oldest example of German poetry but also the oldest example of writing in the German language.

Unfortunately the bound manuscript which has now been found contains only the second page of the Hildebrandslied. The first page (see cut) had been removed from the manuscript and is missing. All efforts to trace the missing page have thus far been unsuccessful. It is, however, known that the first page was missing as early as November 1945, when the bound manuscript came into the possession of a New York dealer. Its removal from the codex is probably the greatest single loss to literature resulting from World War II.

Manuscript Collection at Kassel

The library at Kassel lost all its books and printed materials in a bombing raid in September 1941. The manuscript collection was believed to have been saved. However, at the end of the war, two of the manuscripts—the Hildebrandslied Codex and the Willehalm Codex (see cut)—the two chief possessions of the library, were found to have been taken from the war repository. They had

been packed together in a small box and stored for safety in a bunker at Bad Wildungen in August 1943. The bunker was reported to have been carefully guarded until the last months of the war, when the custodians were displaced. The American Monuments, Fine Arts, and Archives officers were not immediately informed, when Allied troops entered the town, of the repository and its importance. In June 1945 the State Conservator of Greater Hesse reported to the American Military Government that the bunker had been entered and the two famous manuscripts were missing. At the time it could not be ascertained whether the box with the manuscripts had been removed by German civilians, displaced persons, or American troops.

The loss of these irreplaceable manuscripts became the subject of an extensive search in Germany. Dr. Theodore A. Heinrich, the American director of the Wiesbaden Central Collecting Point, made every effort to trace them. Now that the Hildebrandslied has been found in the United States, the United States Government will try to determine whether the missing page of the Hildebrandslied and the 14th-century Willehalm Manuscript were also brought to the United States. A description of the missing manuscripts is being publicized so that American institutions may be alerted to the loss. Should they be found in American possession, they may be turned over to the nearest public library with the request that arrangements be made for their safe transfer to the Department of State at Washington.

Descriptions of these two treasures of the Kassel Library have been published many times. The Hildebrandslied is to be found described in many books¹ and most encyclopedias, and the Willehalm manuscript is published in a large folio volume.²

The Song of Hildebrand

The missing page of the Hildebrandslied consists of 24 lines of the poem, written in Irish minuscule on parchment, 28.5 by 21 centimeters or 11 inches by 8 $\frac{1}{4}$ inches in size. There are three small holes in the right-hand margin and a large hole at the end of the last line.

The Song of Hildebrand recounts the story of Hildebrand and his son, who after many years of

separation meet and, without knowing each other, engage in combat. The poem breaks off with no indication of the outcome of the battle. There is an early Norse saga which refers to the Hildebrandslied and says that the son was killed, but in the later sagas the son is defeated and forced to recognize his father.

The two pages of the Hildebrandslied are the only surviving remnant of the many sagas and ballads of that early period. They were first kept in the cloister at Fulda and were presented to the Kassel Library early in the 19th century by Jacob and Wilhelm Grimm, who first recognized the manuscript as a unique example of German poetry. The Grimms were distinguished scholars of Kassel. Their research in poetry and popular tales became the foundation of the science of folklore, and their works have been read throughout the world. In 1814 Jacob Grimm was sent to Paris to obtain the restitution of the valuable collections of books that Napoleon had carried off from Kassel.

The Willehalm Manuscript

The lost Willehalm Codex of Wolfram von Eschenbach is a bound manuscript of the 14th century, containing 396 folios and 62 miniatures. Thirty-three of the miniatures are completed, and the rest are partly finished. The manuscript is 41.5 by 29 centimeters or 16 $\frac{1}{4}$ inches by 11 $\frac{3}{8}$ inches in size. The script is a fine, precise, pointed Gothic minuscule of a severe style.

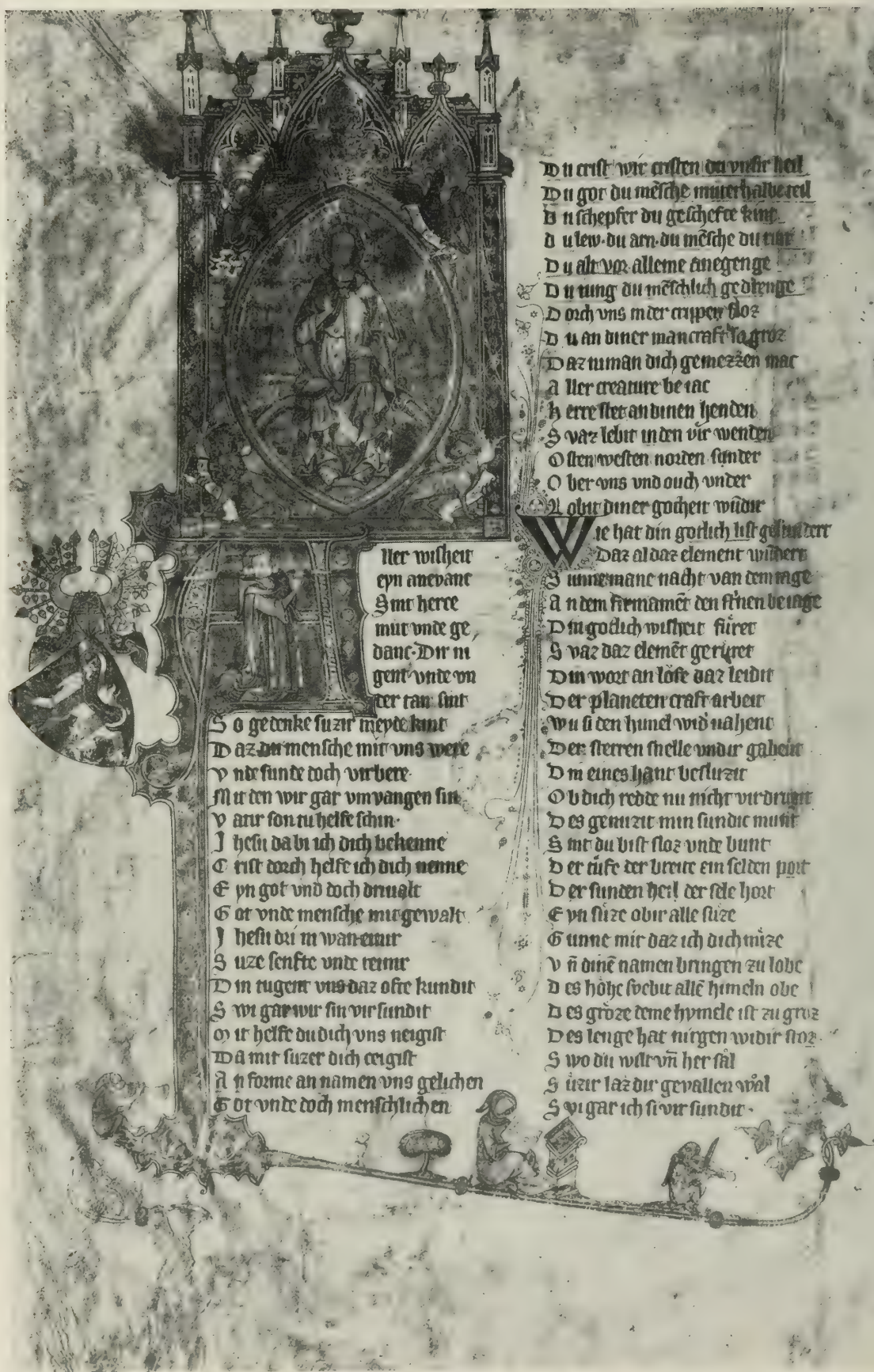
The poem by Wolfram von Eschenbach in the missing Willehalm Codex relates the heroic deeds of the Christian knight, Willehalm. In one of the miniatures illustrating Willehalm's adventures, the hero is kneeling before Charlemagne, and in another he is seated before Tybalt, Arabele, and the three queens.

The illumination of the manuscript shows strong English influence and belongs to the Cologne school. The ornamental initial on the first page was executed with skill and versatility. Framed in a triple Gothic arch, Christ in Glory is bestowing His blessing; the Evangelists' symbols are at the corners. Below, the donor of the book, the Landgrave of Hesse, kneels in prayer; beside him is his coat of arms with the lion of Hesse. This is the oldest known colored representation of the arms, other than the 13th-century Landgrave

Footnotes at end of article.

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 c. h. u. d. p. a. r. h. e. r. c. h. o. m. e. n. m. a. n. n. u. m. n. i. p. a. n. n. i. h. i.
 i. n. l. i. b. h. a. b. b. e. t. u. n. g. e. t. q. u. a. d.

The missing page of the Hildebrandslied, written about 800 A. D.
 Another page of the manuscript has been returned to the Landesbiblio-
 thek at Kassel, Germany.



First page of the missing Willehalm manuscript, dating from the 14th century. The manuscript contains 396 folios, many of them richly illuminated.

escutcheons preserved in the Marburg Church of St. Elizabeth.

On the vine framing the page a monk is reading at a lectern, and there are charming, droll figures of rabbits and monkeys. The manuscript is dated by a Latin entry on folio 395 *verso*: "In the year of our Lord one thousand three hundred and thirty-four, the illustrious Prince Henry, Landgrave and Lord of the Land of Hesse, had this written in honor of St. William Marchionis at his court; never to be transferred but to remain forever in the possession of his heirs."

The 14th-century manuscript of "De Africa," a Latin poem by Petrarch, was fully identified by the library of the city of Trieste and also was marked with the stamps of the famous Petrarch collection owned by the library. The manuscript was sent on September 20, 1954, to the United States Political Adviser to the Commander British-United States Zone, Free Territory of Trieste, to be restored to the municipal library on behalf of the United States Government.

Traditional Principles Upheld

The recovery of these manuscripts and of other rare books and objects of art dispersed during or following World War II has been a part of United States Government policy. The protection of cultural property and respect for its ownership are based upon the traditional principles upheld by the United States Government. These principles were incorporated in the General Orders No. 100 promulgated by President Lincoln and in all editions of the Rules of Land Warfare of the Department of the Army.

President Eisenhower, when he was Supreme Commander, Allied Powers Europe, during World War II, issued orders unrivaled in their firm expression of a determination to preserve the historic and cultural heritage of Europe. In a directive of May 26, 1944,³ General Eisenhower stated:

Shortly we will be fighting our way across the continent of Europe in battles designed to preserve our civilization. Inevitably, in the path of our advance will be found historical monuments and cultural centers which symbolize to the world all that we are fighting to preserve.

It is the responsibility of every commander to protect and respect these symbols whenever possible.

A subsequent directive of November 9, 1944,⁴ announced the policy of cultural restitution:

October 4, 1954

It is the policy of the Supreme Commander to take measures to facilitate the eventual restitution of works of art and objects of scientific or historical importance which may have been looted from United Nations governments or nationals. . . .

It is also the policy of the Supreme Commander to avoid, as far as military necessity will permit, damage to all structures, objects or documents of cultural, artistic, archaeological, or historical value; and to assist wherever practicable in securing them from deterioration upon the process of war. . . .

You will ensure that the prevention of looting, wanton damage and sacrilege of buildings by troops is the responsibility of all commanders and you will ensure that the seriousness of offenses of this kind is explained to all Allied personnel.

After the extent of the Nazi confiscations had become known, the Allied Powers issued a solemn warning in the London Declaration of January 5, 1943,⁵ that they intended "to do their utmost to defeat the methods of dispossession practiced by the governments with which they are at war against the countries and peoples who have been so wantonly assaulted and despoiled." The Allied Powers reserved all rights to declare invalid such transfers of property. It was specifically stated that works of art were included. Concerted efforts to rectify the injustices were sought at international conferences⁶ and through inter-Allied agreements.⁷

The Allied war agencies concerned with the protection of the international cultural heritage had long but informative names. In the United States the American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas was established on August 20, 1943, under Supreme Court Justice Owen J. Roberts and David E. Finley, Director of the National Gallery of Art. The British Committee on the Preservation and Restitution of Works of Art, Archives and other Material in Enemy Hands was set up by Prime Minister Churchill on May 9, 1944.

Objects Appearing in U.S.

The problem of looted and displaced works of art appearing in the United States was first brought to the attention of the American Commission in September 1944 on behalf of Cardinal Spellman, who was one of the members of the American Commission.⁸

Following World War II, the State-War-Navy

Coordinating Committee approved a government policy,⁹ which states:

The introduction of looted objects of art into this country is contrary to the general policy of the United States and to the commitments of the United States under the Hague Convention of 1907 and in the case of objects of a value of \$5,000 or more is a contravention of Federal law. It is incumbent on this Government, therefore, to exert every reasonable effort to right such wrongs as may be brought to light.

The effective protection of works of art begun under General Eisenhower's directives, carried out by the Allied armies and military governments, and completed by the Allied High Commissioners in Austria and Germany prevented the dispersal of hundreds of thousands of objects and greatly minimized the problem of recovery. The number of dispersed objects of cultural importance which have been found in the United States is relatively small compared with the millions of objects of art, books, and archives from over 2,000 repositories which were taken into the custody of the U.S. Military Government in the American Zone of Germany alone.¹⁰

A review of the works of art and other objects of cultural value which have been recovered in the United States in the 10-year period since the program was initiated in September 1944 shows that between 1944 and 1954 a total of 66 cases involving 1,586 objects have been brought to the attention of the Department of State. Of this total, 40 cases have been concluded and 1,194 objects recovered and transferred through diplomatic channels to the rightful owners.¹¹ In the 11 cases completed in September, 360 objects were transferred to the embassies in Washington. There are 15 cases currently under investigation involving 32 objects and 2 collections. When these are completed, all missing objects which are known to have appeared in the United States and have come to the attention of the Government will have been recovered.

The success of the recovery program is due to the generous response of American educational and cultural institutions and to the unfailing support of the Government agencies in Washington. The Bureau of Customs of the Treasury Department has been most efficient in handling cases involving violations of United States customs laws. Shirley Stephens, the head of enforcement in the Bureau of Customs, has been directly responsible for the continued effectiveness of the program. Mr. Stephens was consulted by the American Com-

mission in 1944, when the matter was first under consideration, and he has taken a direct part in every case that has been under investigation by the Bureau of Customs since that date.

The advice and assistance of officers of the Department of Justice, including Julian D. Simpson, Harold P. Shapiro, and John Murphy, have been invaluable to the solution of the most difficult cases.

Special acknowledgment should also be made to Mr. Finley, Director of the National Gallery, for his contribution to the work of the American Commission and for his cooperation with the Department of State in taking temporary custody of the objects when they are received in Washington.

The following American institutions are among the many that have also given invaluable assistance and expert advice about the objects: the Smithsonian Institution, the Library of Congress, the Freer Gallery of Art, the National Gallery of Art, the Los Angeles County Museum, the University of Florida, the Art Institute of Chicago, the John Herron Art Institute of Indianapolis, the Museum of Fine Arts of Boston, the Fogg Museum of Art, and the Busch-Reisinger Museum of Harvard University, the Detroit Institute of Arts, the Palace of the Legion of Honor Museum of San Francisco, the Duluth (Minnesota) Public Library, the Columbus (Ohio) Public Library, the Princeton University Library, the New York Public Library, the Frick Art Reference Library, the Morgan Library, the Cornell University Library, the Syracuse University Library, the Numismatic Society of New York, the Institute of Fine Arts of New York University, the Frick Collection, the New York Historical Society, the University of Pennsylvania Library, the Philadelphia Museum of Art, the Rhode Island School of Design, the Museum of Williams College, the Museum of Houston (Texas), and Lawrence College.

Response to Recovery Program

Directors of these institutions have made the following comments upon the Government program:

This museum has been instrumental in uncovering several items belonging to European museums during the past 3 years. We are most anxious to cooperate with the return of these objects, as part of the reciprocal activities of the major museums. . . .

I am glad to see from your letter and the statements attached to it [on return of looted objects] that the attitude of the Government is exactly as we felt it would be. . . .

I very much hope that you will be able to receive the objects and return them to the institutions from which they were mistakenly taken. In conclusion, let me applaud the effort which you are making to right this kind of wrong. . . .

I am delighted that machinery has been set up whereby this kind of property can be restored to its rightful owners. Such conduct makes me proud to be an American citizen. . . .

The membership of the College Art Association of America empowered its executive committee to express approval of the Government's efforts in behalf of the restitution to rightful owners of works of art, which was described as "a cultural enterprise without historical precedent."

When the objects have been transferred to the recipient governments, the return has brought many expressions of gratitude. The French Government, on the recovery of a painting looted in Paris from a famous Jewish collection in 1941, expressed its appreciation to the Department of State and also sent a letter of thanks to the museum which had assisted in the return.

The director of the Berlin Hauptarchiv, when he heard that a rare manuscript had been recovered, wrote, "Seldom has a letter caused so much joy as yours of the 24th of June concerning the return of the Testament of Frederick the Great. For your very good news we beg to express our sincerest thanks." On the occasion of the formal opening of the Johannes Gutenberg Celebration at Mainz, Germany, on June 24, 1950, the Mayor of Mainz spoke of the appreciation of his city for the efforts of the United States Government in returning the 500-year-old Mainz Psalter to Germany and in consenting to the exhibition of the famous and precious book in Mainz for the duration of the commemoration. An official of the German Foreign Office at a ceremony marking the return of several works of art said, "It is with the greatest satisfaction and sincere gratitude that I accept on behalf of the Federal Government these treasures which are returned to us as former German properties. They will be given to their legitimate owners or their successors as soon as possible. We all have had the very satisfactory experience during and after the war that there are men of good will in every

country on earth, who—unaffected by the passions of the moment—strive toward the realization of higher ideals and toward justice."

Italian Government officials have expressed their gratitude for the assistance of the United States authorities in the recovery of works of art. In the case of the restitution to the Biblioteca Civica of Trieste of the 14th century Petrarch manuscript, the Italian Ambassador expressed "his warmest gratitude and deep appreciation of the assistance offered by the American authorities in the recovery of the masterpiece."

A Polish representative, on receiving two paintings belonging to the State Collection at Warsaw, wrote, "May I express to you my sincerest thanks for your kind cooperation and help in the recovery of the paintings by Cornelis van Poelenburgh and Quiryn Gerrits van Brekelenkam."

Most of the historic and artistic objects which have been recovered in the United States were lost from state museums, libraries, or archives or from churches. All of the relatively few works of art of private ownership which have appeared were confiscated by the Nazis from Jewish collectors, who were the chief victims of Nazi plundering in Western Europe.

By the restoration of these looted objects to their former Jewish owners, a grievous wrong has been righted. And by returning the dispersed objects which had passed from public collections in Europe to private hands in the United States, the U.S. Government has performed a great public service. It is a service not only to the nations which have regained precious symbols of their cultural heritage but also to all lovers of art and literature, who will find these valuable objects once more available to the public.

Footnotes

1. Guilelmus Grimm, *De Hildebrando* (Gottingae, 1830); Wilhelm Hopf, *Die Landesbibliothek Kassel, 1580-1930* (Marburg, 1930), pp. 31, 32; *Das Hildebrandslied* (Kassel, 1937) etc.

2. Robert Freyham, *Die Illustrationen zum Casseler Willehalm Codex*; Wilhelm Hopf, *loc. cit.*, pp. 99-102.

3. *Report of the American Commission for the Protection and Salvage of Artistic and Historic Monuments in War Areas, 1946* (Washington, 1946), p. 102.

4. *The Museum News*, Jan. 1, 1945.

5. BULLETIN of Jan. 9, 1943, p. 21; *United States Economic Policy Toward Germany*, Department of State publication 2630, p. 52.

6. *United Nations Monetary and Financial Conference*, Department of State publication 2187; *Inter-American*

Conference on Problems of War and Peace, Department of State publication 2497.

7. BULLETIN of Aug. 27, 1951, Appendix 1, p. 340.

8. *Report of the American Commission . . .*, p. 23.

9. BULLETIN of Feb. 23, 1947, p. 358.

10. Articles published in the *Information Bulletin* of the Office of U.S. High Commissioner for Germany dealing with the restitution of art in the U.S. Zone of Germany include:

"Recovery and Protection of Art Treasures," Aug. 4, 1935;

"Back from the Salt Mines," Nov. 3, 1945;

"Operation 'Lost and Found,'" July 1, 1946;

"Restitution Program Reviewed," Oct. 28, 1946;

"Restitution," March 3, 1947;

"Silver Train to Hungary," May 26, 1947;

"Germany Makes Restitution," June 1950.

11. Articles dealing with the recovery of war-dispersed art in the United States include:

"Rare Mainz Psalter of 1457, Looted, Returned to U.S. Zone in Germany," BULLETIN of Mar. 27, 1950, p. 487;
"Mainz Psalter Returned," *Information Bulletin*, June 1950.

"Mainz Exhibiting Treasured Psalter," BULLETIN of Aug. 28, 1950, p. 349.

"Recovery of Lost European Treasures," Department of State *Record*, May-June 1951, p. 39.

"The Recovery of Cultural Objects Dispersed During World War II," BULLETIN of Aug. 27, 1951, p. 337.

"Cultural Articles Returned," *Information Bulletin*, July 1952.

"Royal Treasures Returned to Ryukyu Islands," BULLETIN of June 8, 1953, p. 819.

• *Miss Hall, author of the above article, is Arts and Monuments Adviser, Department of State.*

Administration of Agricultural Trade Development and Assistance Act of 1954

White House Office press release dated September 9

WHITE HOUSE ANNOUNCEMENT

The President on September 9 issued an Executive order providing for the administration of the Agricultural Trade Development and Assistance Act of 1954.

Under that act agricultural surplus commodities, aggregating \$700 million in value, may be sold abroad for local currencies over a period of 3 years, and such commodities, up to \$300 million in value, may be given to friendly peoples in the event of national disaster or famine.

The Executive order assigns to the Secretary of Agriculture primary responsibility for sales under the act, including the development of overseas markets for agricultural commodities, and assigns primary responsibility for the grants for famine relief to the Director of the Foreign Operations Administration.

A number of other Federal agencies will participate in the administration of these activities. In order that their activities may be properly coordinated, the President has established an in-

teragency advisory committee which will be headed by a representative of the White House Office.

The Executive order provides that the local currency proceeds of overseas sales of agricultural commodities under the act shall be held in the custody of the Treasury Department and shall be released by the Director of the Bureau of the Budget for use in connection with the purposes authorized by the act. Those purposes are: (1) the development of new markets for United States agricultural commodities; (2) the acquisition of strategic and critical materials; (3) the procurement of military equipment, materials, and facilities; (4) the purchase of goods or services for other friendly countries; (5) the promotion of balanced economic development and trade among nations; (6) the payment of U.S. obligations abroad; (7) the promotion of multilateral trade and economic development; and (8) international educational exchange activities.

The Agricultural Trade Development and Assistance Act of 1954 provides a supplementary means of dealing with existing stocks of agricultural products with primary emphasis upon the

objective of reducing surplus crops through overseas marketing. The statute provides that private trade channels shall be used to the maximum extent possible, that marketings under the act shall not interfere with usual U.S. marketings or disrupt world prices, and that activities under the act shall be carried on so as to further U.S. objectives abroad.

In his message to the Congress in January of this year on the subject of agriculture¹ the President stated that our food stocks can be used for constructive purposes that will benefit the people of the United States and our friends abroad. With effective administration, mobilizing the total resources of Government and private channels, substantial strides will be made in achieving this goal.

The President, in connection with the Executive order, issued an important policy statement concerning foreign trade as related to agriculture. The statement, representing the work of an interdepartmental committee under the chairmanship of Clarence Francis, special consultant to the President, was approved by the President on September 9.

TEXT OF POLICY STATEMENT

The general foreign economic and trade policy set forth in the President's message to Congress of March 30, 1954,² is applicable to and in the general interest of American agriculture. United States farm programs, both short-run and long-run, should be consistent with this policy.

United States agriculture, as well as other segments of the economy, stands to gain from such a sustained policy of expanding world trade, based upon the most productive use in each country of the available labor, natural resources, and capital. Therefore, it is in the long-run interest of the American farmer, as well as all Americans, for this country to work with other nations in a mutual effort to expand international trade, and to promote the fuller convertibility of currencies, the freer movement of investment capital, and the interchange of technical and scientific information.

Today, the United States agricultural situation is complicated by two factors on the domestic

front: (1) prices of many farm products are not competitive with world prices; and (2) production of certain farm products is badly out of balance with demand, thus creating rapidly mounting surplus stocks which overhang and tend to unsettle both domestic and foreign markets. Both of these factors promise to remain operative for some time. It therefore becomes necessary to reckon with them in any formulation of an agricultural foreign trade policy for the United States.

Consistent with the principles set forth in the President's message of March 30, 1954, it is essential that our agricultural foreign trade policy take into account the position of other countries and that our policy be understood by them.

Today, the magnitude of the U.S. holdings of many commodities is such as to be capable of demoralizing world commodity markets should a policy of reckless selling abroad be pursued. This potential greatly alarms other countries despite the fact that past behavior of the United States has shown no intention of pursuing a harmful policy.

At the same time, the United States cannot accept the role of limiting its sales in world markets until other countries have disposed of their production. The adjustment of world supply to world demand will require adjustments of production in other countries, as well as the United States.

The capacity of certain areas of the world to produce food and fiber in excess of current market takings presents a basis and a hope for improving living standards around the world—provided ways can be found for improving marketing and distribution systems and enlarging the purchasing power of consumers. This represents a challenge to the nations of the world to develop sound means for utilizing their productive capacity in the improvement of living standards.

1. The world supply and demand situation in agricultural products requires, in the interest of the general welfare, an orderly and gradual liquidation of our surpluses. Such a policy, arrived at with the full knowledge of friendly nations, would go far to eliminate fear arising from uncertainty.

2. The United States cannot be satisfied with the position of holding its own supplies off the market and accumulating surpluses while other countries dispose of their entire production. Ac-

¹H. Doc. 292, 83d Cong., 2d sess., transmitted Jan. 11, 1954.

²BULLETIN of Apr. 19, 1954, p. 602.

cordingly, the United States will offer its products at competitive prices. At the same time, the United States will not use its agricultural surpluses to impair the traditional competitive position of friendly countries by disrupting world prices of agricultural commodities.

3. The United States will seek in cooperation with friendly countries to utilize its agricultural surpluses to increase consumption in those areas where there is demonstrable underconsumption and where practical opportunities for increased consumption exist or can be developed in a constructive manner. The United States will attempt to utilize such opportunities in a manner designed to stimulate economic development in friendly countries and to strengthen their security position.

4. The United States recognizes that the movement of goods in foreign trade is dependent upon the enterprise of private business—foreign and domestic. In implementing these policies with respect to agricultural commodities, the U. S. Government will seek to assure conditions of commerce permitting the private trader to function effectively.

LETTER FROM THE PRESIDENT TO CLARENCE FRANCIS

DEAR MR. FRANCIS: The Executive order which I have issued today establishing administrative arrangements for the Agricultural Trade Development and Assistance Act of 1954 provides, as you know, for an Interagency Committee on Agricultural Surplus Disposal with a representative of the White House Office as Chairman.

I request you to assume responsibility for organizing this Committee and to serve as its Chairman. I shall look to you for advice concerning policy issues that may develop.

In connection with the work of your Committee I shall expect you to be guided by the policy statement concerning foreign trade as related to agriculture which I have approved and issued today. I regard this document as an important announcement of the philosophy of this Administration with respect to agricultural foreign economic policy. It should generate confidence both at home and abroad as to our purposes in this vital area of international economic relations.

With best wishes,
Sincerely,

DWIGHT D. EISENHOWER

LETTER FROM THE PRESIDENT TO AGENCY HEADS³

I have today issued an Executive order providing for the administration of the Agricultural Trade Development and Assistance Act of 1954. It is the purpose of this letter to further define relationships among the several agencies of the executive branch which will have key responsibilities in assuring successful administration of this program.

The act provides for the use of surplus commodities to further many of our existing domestic and foreign programs, and in some instances, it expands or liberalizes them. These programs are currently carried on by many agencies of the Government. Accordingly, it is desirable to place the administration of the new act in those agencies and to make it possible for them to make their proper contribution in connection with the disposition of agricultural surpluses.

The very fact that a number of agencies have a responsibility in one or another aspect of surplus disposition makes effective coordination absolutely essential. It is therefore directed that a committee, to be known as "The Interagency Committee on Agricultural Surplus Disposal," be established to assist the agencies concerned in bringing into harmonious action, consistent with the over-all policy objectives of this Government, the various agricultural surplus disposal activities vested in them by, or assigned to them pursuant to, the Act. The Committee should be composed of a representative of the White House Office, as chairman, and one representative of each Government department and agency which is, consonant with law, designated by the Chairman to have representation on the committee. I shall look to the Chairman to advise me concerning policy issues which arise. I shall expect the Secretary of Agriculture to assure the effective coordination of day-to-day operations through appropriate interagency relationships.

The following arrangements are prescribed in

³ Sent on Sept. 9 to the following: the Secretary of Agriculture, the Director of the Foreign Operations Administration, the Secretary of State, the Secretary of Defense, the Secretary of Commerce, the Director of the Bureau of the Budget, the Secretary of the Treasury, Clarence Francis, Special Consultant to the President, the Director of the Office of Defense Mobilization, the Administrator of General Services, and the Chairman of the Board of Governors of the Federal Reserve System.

order to facilitate the best administration of the Act:

1. Existing pertinent interagency coordination arrangements are to be followed.

2. This program must be carried out in accordance with and in furtherance of our foreign policy objectives. I wish to reemphasize that the Secretary of State is the officer responsible for advising and assisting me in the formulation and control of foreign policy. I look to him as the channel of authority within the executive branch on foreign policy as I do to the Secretaries of Defense and Treasury in their respective fields.

3. The delegation to the State Department of responsibility for negotiations with foreign governments is intended to give recognition to State Department's central responsibility in this area. Other agencies directly concerned with the substance of the negotiation, however, must continue to carry substantial responsibility in such negotiations. Moreover, it is assumed that these other agencies will conduct day-to-day discussions with representatives of the foreign governments in implementing basic agreements reached with such governments. Such discussions, of course, must be in conformance with the foreign policy responsibilities of the State Department and the chiefs of our diplomatic missions.

4. It is imperative that we continue to coordinate United States programs affecting other nations. For this reason, the accompanying Executive order makes this program subject to my previous instructions with respect to coordination of United States activities in foreign countries. Under those instructions, the chief of the diplomatic mission is the principal officer of the United States in each country and has full responsibility and authority for assuring effective action in that country.

5. In order to coordinate most effectively the various agricultural surplus disposal programs abroad, I shall expect the Secretary of Agriculture to utilize to the maximum extent practicable the facilities, services and experience of the Foreign Operations Administration.

6. I am requesting the Secretary of Commerce to provide the focal point in the Government for assisting private enterprise with respect to barter transactions referred to in the act. This arrangement would be one more step toward assuring the maximum utilization of private channels in the execution of this program.

7. It is contemplated that the Office of Defense Mobilization shall utilize the facilities and services of the General Services Administration for the purchase and handling of materials under section 104(b) of the act.

In January of this year, I stated in my message on Agriculture that surplus agricultural stocks can be used for constructive purposes that will benefit

the people of the United States and our friends abroad. Enactment of this legislation is a major step forward in achieving that broad objective. With effective administration, mobilizing the total resources of Government and private channels of trade, we should make substantial strides towards achieving the above goals.

I have forwarded an identical letter to the other officers of the Government principally concerned with carrying out the Executive order.

Sincerely,

DWIGHT D. EISENHOWER

EXECUTIVE ORDER 10560⁴

ADMINISTRATION OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

By virtue of the authority vested in me by section 301 of title 3 of the United States Code (65 Stat. 713) and as President of the United States, it is ordered as follows:

Section 1. *Department of Agriculture.* Except as otherwise provided in this order, the functions conferred upon the President by Title I of the Agricultural Trade Development and Assistance Act of 1954 are hereby delegated to the Secretary of Agriculture.

Section 2. *Foreign Operations Administration.* The functions conferred upon the President by Title II of the Act are hereby delegated to the Director of the Foreign Operations Administration.

Section 3. *Department of State.* (a) The functions of negotiating and entering into agreements with friendly nations or organizations of friendly nations conferred upon the President by the Act are hereby delegated to the Secretary of State.

(b) All functions under the Act, however vested, delegated, or assigned, shall be subject to the responsibilities of the Secretary of State with respect to the foreign policy of the United States as such policy relates to the said functions.

(c) The provisions of Part III of Executive Order No. 10476 of August 1, 1953 (18 F. R. 4537, ff.),⁵ are hereby extended and made applicable to functions provided for in the Act and to United States agencies and personnel concerned with the administration abroad of the said functions.

Section 4. *Foreign currencies.* (a) There are hereby delegated to the Director of the Bureau of the Budget (1) so much of the functions conferred upon the President by the Act as consists of fixing from time to time the amounts of foreign currencies which accrue under Title I of the Act to be used for each of the several purposes described in paragraphs (a) to (h), inclusive, of section 104 of the Act, and (2) the function conferred upon the President by the last proviso in section 104 of the Act of waiv-

⁴ 19 Fed. Reg. 5927.

⁵ BULLETIN of Aug. 24, 1953, p. 240.

ing the applicability of section 1415 of the Supplemental Appropriation Act, 1953.

(b) The Secretary of the Treasury is hereby authorized to prescribe regulations governing the purchase, custody, deposit, transfer, and sale of foreign currencies received under the Act.

(c) The foregoing provisions of this section shall not limit section 3 of this order and the foregoing subsection (b) shall not limit subsection (a) above.

(d) Purposes described in the lettered paragraphs of section 104 of the Act shall be carried out, with foreign currencies made available pursuant to section 4 (a) of this order, as follows:

(1) Those under section 104 (a) of the Act by the Department of Agriculture.

(2) Those under section 104 (b) of the Act by the Office of Defense Mobilization. The function, conferred upon the President by that section, of determining from time to time materials to be purchased or contracted for for a supplemental stockpile is hereby delegated to the Director of the Office of Defense Mobilization.

(3) Those under section 104 (c) of the Act by the Department of Defense.

(4) Those under sections 104 (d), (e), and (g) of the Act by the Foreign Operations Administration. The

function, conferred upon the President by section 104 (g) of the Act, of determining the manner in which the loans provided for in the said section 104 (g) shall be made, is hereby delegated to the Director of the Foreign Operations Administration.

(5) Those under section 104 (f) of the Act by the respective agencies of the Government having authority to pay United States obligations abroad.

(6) Those under section 104 (h) of the Act by the Department of State.

Section 5. *Reports to Congress.* The functions under section 108 of the Act, with respect to making reports to Congress, are reserved to the President.

Section 6. *Definition.* As used in this order the term "the Act" means the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, approved July 10, 1954, 68 Stat. 454) and includes, except as may be inappropriate, the provisions thereof amending other laws.

Dwight D. Eisenhower

THE WHITE HOUSE,
September 9, 1954.

Sweden Removes Import License Requirements on Some Items

Press release 533 dated September 25

The following joint statement of the Departments of Commerce and State was released on September 25:

The U.S. Government notes with satisfaction the Swedish Government's decision to liberalize its dollar trade effective October 1, by removing import license requirements from a large number of commodities which until now have been subject to tight licensing and foreign exchange control. This free list covers about 45 percent of total Swedish imports in 1953.

Simultaneously, the Swedish Government announced that goods which are not on this free list but are free-listed for Western European and certain other countries (OEEC¹ free list) will be imported from the dollar area in greater quantities, either directly from the dollar area or indirectly from those non-dollar areas. The Swedish Government also announced that it will continue

¹ Organization for European Economic Cooperation.

to investigate the possibility of adding other items to the dollar free list.

While all details are not yet available, it is understood that the dollar free list is composed of raw materials, semimanufactures, and a large number of finished goods. Included in the list among other items are almost all chemical products, all hides and skins, rubber products, wood goods, all paper other than newsprint, textile raw materials, yarn, cord fabrics, shoes, hats, and stone, clay, and glass products of various kinds.

Extensive free-listing is also applicable to engineering products. All manufactures of iron and metal, the greater part of iron and steel products, and all machines, apparatus, and instruments, with the exception of cameras, projectors, and musical instruments, are free-listed. Also included are equipment for railways, streetcars, motorcycles, and bicycles. In the field of foodstuffs, imports are free-listed among others for dried fruits and raisins, rice, canned fish and canned fruits, juices, and a number of other products. Finally, the list includes raw materials for plastics and a large number of products of less importance such as small boxes, handbags, fishing tackle, tobacco pipes, fountain pens, and many

other consumer goods. It is important to note that the free list includes a great majority of the commodities on which Sweden granted tariff concessions to the United States under the General Agreement on Tariffs and Trade.

Such details as are now available can be obtained from the European Division, Bureau of Foreign Commerce, Department of Commerce, Washington 25, D. C., and from all field offices of the Department of Commerce, which will also have the information on additional details to be released later by the Swedish Government.

In announcing these actions, the Swedish Gov-

ernment referred to the discussions which have lately taken place in Western Europe on the problem of attaining a more general system of currency convertibility. Sweden thus joins a number of other Western European countries in efforts to improve productivity and reduce costs and prices by increased competition. This voluntary action by the Swedish Government is commendable not only as an aid to expanded dollar trade with Europe, which the United States Government values highly, but also as another example of constructive policy by countries whose financial positions permit measures in the direction of freer trade.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of Meetings ¹

Adjourned During September 1954

XXVII Art Biennale	Venice	June-Sept. 30
XV International Exhibition of Cinematographic Art	Venice	July 6-Sept. 7
UNESCO International Seminar on Adult Education in Rural Areas	Denmark	Aug. 14-Sept. 4
U.N. Committee on Information from Non-Self-Governing Territories: 5th Session.	New York	Aug. 20-Sept. 13
8th Edinburgh Film Festival.	Edinburgh	Aug. 22-Sept. 12
International Scientific Radio Union: 11th General Assembly	The Hague	Aug. 23-Sept. 2
Congress of the Life-Saving Federation	Algiers	Aug. 24-Sept. 5
WMO Executive Committee: 5th Session	Geneva	Aug. 25-Sept. 11
Interparliamentary Union: 43d Conference	Vienna	Aug. 27-Sept. 2
UNESCO Regional Seminar on the Arts and Crafts in General Education and Community Life.	Tokyo	Aug. 28-Sept. 25
U.N. World Conference on Population	Rome	Aug. 31-Sept. 10
International Mathematical Union: 2d General Assembly	The Hague	Aug. 31-Sept. 1
International Electrotechnical Commission: 50th Anniversary Meeting	Philadelphia	Sept. 1-16
International Society of Cell Biology: 8th International Congress	Leiden	Sept. 1-7
FAO Third Regional Meeting on Food and Agricultural Programs and Outlook in Latin America.	Buenos Aires	Sept. 1-10
First International Congress and Second International Seminar on Vocational Guidance.	Bonn	Sept. 1-15
10th International Congress of Mathematicians	Amsterdam	Sept. 2-9
Southeast Asia Collective Defense Conference	Manila	Sept. 6-8
International Sugar Council: Executive Committee Meeting	London	Sept. 6-10
ICAO Legal Committee: 10th Session	Montreal	Sept. 7-28*
International Sugar Council: Statistical Committee Meeting	London	Sept. 7-10
International Sugar Council: 1st Meeting of 2d Session	London	Sept. 8-10
ITU International Radio Consultative Committee (CCIR): Study Group IX	Geneva	Sept. 10-22
WHO Regional Committee for the Western Pacific: 5th Session	Manila	Sept. 10-16
27th International Congress of Industrial Chemistry	Brussels	Sept. 11-19

¹ Prepared in the Office of International Conferences Sept. 24, 1954. Asterisks indicate tentative dates. Following is a list of abbreviations: UNESCO, United Nations Educational, Scientific and Cultural Organization; U.N., United Nations; WMO, World Meteorological Organization; FAO, Food and Agriculture Organization; ICAO, International Civil Aviation Organization; ITU, International Telecommunication Union; CCIR, International Radio Consultative Committee (Comité consultatif international des radio communications); WHO, World Health Organization; PASO, Pan American Sanitary Organization; ECAFE, Economic Commission for Asia and the Far East; ILO, International Labor Organization; GATT, General Agreement on Tariffs and Trade; ICEM, Intergovernmental Committee for European Migration; NATO, North Atlantic Treaty Organization.

Calendar of Meetings—Continued

Adjourned During September 1954—Continued

FAO Meeting on Desert Locust Control	Rome	Sept. 13-17
International Union of Geodesy and Geophysics: 10th General Assembly	Rome	Sept. 14-29
International Technical Committee for the Prevention and Extinguishing of Fire: Meeting of Permanent Council	Rouen	Sept. 16-19
International Federation for Documentation: 21st Conference	Belgrade	Sept. 19-26
FAO Committee on Commodity Problems: 24th Session	Rome	Sept. 20-25
IX International Exposition of Preserved Foodstuffs and Packing	Parma (Italy)	Sept. 20-30
International Bank for Reconstruction and Development and International Monetary Fund: 9th Annual Meeting of Boards of Governors	Washington	Sept. 24-29

In Session as of September 30, 1954

International Exposition and Trade Fair	São Paulo	Aug. 21-
UNESCO International Seminar for Museum Staff and Educators	Athens	Sept. 12-
Consultative Committee for Economic Development in South and Southeast Asia ("Colombo Plan"): Officials Meeting	Ottawa	Sept. 20-
ICAO Air Navigation Commission: 17th Session	Montreal	Sept. 21-
U.N. General Assembly: 9th Regular Session	New York	Sept. 21-
ICAO Air Transport Committee: 23d Session	Montreal	Sept. 27-
FAO Council: 20th Session	Rome	Sept. 27-
ICAO Council: 23d Session	Montreal	Sept. 28-
Nine-Power Conference	London	Sept. 28-

Scheduled October 1–December 31, 1954

International Congress of Chronometry	Paris	Oct. 1-
International Philatelic and Postal Exhibition	New Delhi	Oct. 1-
Consultative Committee for Economic Development in South and Southeast Asia ("Colombo Plan"): Ministerial Meeting	Ottawa	Oct. 4-
FAO Working Party on Fertilizers: 4th Meeting	Tokyo	Oct. 4-
FAO Working Party on Rice Breeding: 5th Meeting	Tokyo	Oct. 4-
PASO Executive Committee: 23d Meeting	Santiago	Oct. 4-
International Council for the Exploration of the Sea: 42d Annual Meeting	Paris	Oct. 4-
ITU International Telephone Consultative Committee: XVII Plenary Assembly	Geneva	Oct. 4-
ICAO North Atlantic Regional Air Navigation Meeting: 3d Session	Montreal	Oct. 5-
10th General Conference on Weights and Measures	Paris	Oct. 5-
UNESCO Seminar for Leaders of Youth Movements	Habana	Oct. 5-
Caribbean Commission - UNESCO Joint Conference on Education and Small-Scale Farming in Relation to Community Development	Port-au-Spain	Oct. 6-
2d International Meeting of Communications	Genoa	Oct. 6-
U.N. ECAFE Subcommittee on Electric Power: 4th Session	Tokyo	Oct. 6-
PASO 14th Pan American Sanitary Conference and 6th Meeting of the Regional Committee of Who	Santiago	Oct. 7-
General Assembly of the International Commission of Criminal Police: 23d Session	Rome	Oct. 9-
FAO International Rice Commission: 4th Session	Tokyo	Oct. 11-
ILO Iron and Steel Committee: 5th Session	Geneva	Oct. 11-
South Pacific Commission: 13th Session	Nouméa (New Caledonia)	Oct. 11-
International Wheat Council: 16th Session	London	Oct. 12-
U.N. ECAFE Railway Subcommittee: 3d Session and Working Party on Prevention and Speedy Disposal of Claims	Tokyo	Oct. 13-
Southeast Asia Communications Coordinating Meeting	Bangkok	Oct. 18-
PASO Executive Committee: 24th Meeting	Santiago	Oct. 22-
International North Pacific Fisheries Commission: 2d Meeting	Vancouver	Oct. 25-
ILO Metal Trades Committee: 5th Session	Geneva	Oct. 25-
U.N. ECAFE Working Party of Experts on the Aspects of Economic Development Programs	Bangkok	Oct. 25-
GATT Ad Hoc Committee for Agenda and Intersessional Business	Geneva	Oct. 26-
General Agreement on Tariffs and Trade: 9th Session of Contracting Parties	Geneva	Oct. 28-
International Exposition in Bogotá	Bogotá	Oct. 29-
UNESCO Executive Board	Rio de Janeiro	Oct. 31-
U.N. ECAFE Ad Hoc Working Party of Senior Geologists on the Preparations of a Regional Geological Map for Asia and the Far East	Bangkok	Nov. 1-
UNESCO Budget Committee	Montevideo	Nov. 1-
UNESCO Executive Board	Montevideo	Nov. 1-
FAO European Forestry Commission and Working Party on Afforestation	Geneva	Nov. 3-
14th International Congress of Military Medicine and Pharmacy	Luxembourg	Nov. 7-

Calendar of Meetings—Continued

Scheduled October 1–December 31, 1954—Continued

International Philatelic Exposition	São Paulo	Nov. 7–
FAO 3d Inter-American Meeting on Livestock Production	Buenos Aires	Nov. 8–
ILO Governing Body: 127th Session	Rome	Nov. 8–
U.N. ECAFE Mineral Resources Subcommittee: 1st Session	Bangkok	Nov. 8–
FAO Meeting on Economic Aspects of the Rice Situation	Rangoon	Nov. 11–
UNESCO General Conference: 8th Session	Montevideo	Nov. 12–
Third Inter-American Accounting Conference	São Paulo	Nov. 14–
Inter-American Commission of Women: 10th General Assembly	Port-au-Prince	Nov. 14–
Customs Cooperation Council	Brussels	Nov. 15–
ICAO Special European-Mediterranean Communications Meeting	Paris	Nov. 16–
Meeting of Ministers of Finance or Economy (4th Extraordinary Meeting of Inter-American Economic and Social Council).	Rio de Janeiro	Nov. 22–
ICEM <i>Ad Hoc</i> Subcommittee on Draft Rules and Regulations	Geneva	Nov. 22–
International Sugar Council: Statistical Committee	London	Nov. 22–
International Sugar Council: Executive Committee	London	Nov. 23–
ILO 8th International Conference of Labor Statisticians	Geneva	Nov. 23–
International Sugar Council: Second Session	London	Nov. 24–
ICEM Subcommittee on Finance: 6th Session	Geneva	Nov. 25–
Caribbean Commission: 19th Meeting	Cayenne (French Guiana)	Nov. 29–
Intergovernmental Committee for European Migration: 8th Ses- sion.	Geneva	Nov. 30–
NATO Ministerial Meeting of the Council	Paris	November*
FAO Fourth World Forestry Congress	Dehra Dun (India)	Dec. 11–
Inter-American Seminar on Secondary Education	Santiago	Dec. 29–

Chinese Communist Attacks
on Free World Shipping

Statement by Henry Cabot Lodge, Jr.
U.S. Representative to the United Nations¹

I am making public today for the first time an official list, recently completed, which shows that the shooting down of an unarmed British airliner off Hainan Island last July 22² was but the latest of at least 39 warlike acts by the Chinese Communists against the ships and aircraft of free nations in the last 4 years. This is issued for the information of the public. It speaks for itself.

When the attack off Hainan took place, not only the United States and Britain, whose citizens lost their lives, but people all over the world were alarmed at this action against humanity and international law. My purpose in making public this list of 38 additional attacks is to show that the Hainan shooting was no isolated incident but part of a pattern of constant aggressive pressure against the free world.

¹ Issued by the U. S. Mission to the United Nations on Sept. 19 (U.S./U.N. press release 1956 dated Sept. 17).
² BULLETIN of Aug. 2, 1954, p. 165, and Aug. 9, 1954, p. 196.

This tabulation shows 26 incidents involving the British flag, 5 involving the United States, 2 involving Denmark, 2 involving Panama, and one each involving Norway, France, and Portugal.

In turn, this series of acts of piracy must be viewed as part of a still larger pattern. I refer to the Chinese Communist record in Korea; the campaigns of extermination against the Chinese people themselves, in which millions have lost their lives; the boast of the Chinese Communist leaders that they have the second largest army in the world—second only to the Soviet Union. Within this larger pattern, the many violent actions off the Chinese coast over the past 4 years seem to reveal the basic character of the Red Chinese regime—a regime committed to any means whatever, but especially to violence, in order to achieve its aims of conquest.

From July 1950 through June 1954 the Chinese Communists made 38 attacks on foreign ships and aircraft, as follows:

1950

July 20, 1950: British S.S. *Tak Shing* was fired on by Chinese Communist shore batteries in the vicinity of Lafsami, the ship's location possibly within 2 miles of Lafsami.

July 24, 1950: The Panamanian ship S.S. *Flying Dragon* was fired on by Chinese Communist shore batteries on Lafsami. The ship was hit.

August 2, 1950: An Air France plane was fired on by Chinese Communist A/A guns, Ladrone Island.

August 3, 1950: The 300-ton British freighter *Nambee* was fired on by Chinese Communist shore batteries in the Nam Shan Islands. There were no hits and no casualties.

August 6, 1950: The American ship S.S. *Steel Rover* was fired on by Chinese Communist shore batteries in the Lama Island group; the ship was just entering Hong Kong.

August 7, 1950: The British ship S.S. *Hand Sang* was fired on by Chinese Communist shore batteries in the Lama Islands; the ship was just outside Hong Kong waters; two British officers were slightly wounded.

August 8, 1950: The Norwegian ship S.S. *Pleasantville* was fired on by Chinese Communist shore batteries in the Lama Islands. The ship was just outside Hong Kong.

August 13, 1950: A Pacific Overseas Airways plane, under U.S. flag, was fired on by Chinese Communist machine guns from an island near Macao.

August 17, 1950: The British destroyer *Concord* was repeatedly shelled by Chinese Communist batteries on the Lama Islands, then by batteries on the Ling Ting Islands. One enlisted man was wounded.

September 16, 1950: The British ship S.S. *Sing Hing* was fired on by Chinese Communist shore batteries from the Lama Island group.

September 17, 1950: The British ship S.S. *Mahadevi* was fired on by Chinese Communist shore batteries in the Lama Island group.

October 7, 1950: The Danish S.S. *Emilie Maersk* was fired on by Chinese Communist shore batteries on the Lama Island group.

November 7, 1950: Portuguese sloop *Goncalo Velho* was fired on by Chinese Communist shore batteries on the Lafsami Islands. The ship was just outside Hong Kong waters on the regular Hong Kong-Macao route.

December 8, 1950: A Panamanian flagship was shelled by Chinese Communist shore batteries off Wu Yu Island, near Amoy. No damage, no casualties.

December 9, 1950: The British tug *Allegiance* was fired on by shore batteries at Putao (Pak Leak) Island, in the Wan Shan Island group. The tug was returning from the rescue of the Philippine S.S. *Joseph S.* The master and two crew members were slightly injured.

1951

February 13, 1951: The British-registered *Caltex II*, a motor vessel, was shelled by Chinese Communist shore batteries on Ling Ting Island. The ship was outside Hong Kong waters. The British master and British chief officer were injured.

April 10, 1951: The British ship *Jade Leaf* on its way from Hong Kong to Chuen Chow was forced by weather conditions to anchor near Namao Island, off Swatow. The master did not know that the area was prohibited. The ship was fired on by Chinese Communist shore-battery machineguns. The ship was hit once and there were no

casualties. Later, while entering Swatow, the ship was buzzed by unidentified planes.

April 16, 1951: Chinese Communist shore batteries on outer Ling Ting Islands fired on the British S.S. *Victoria Peak* causing some of the cargo to ignite.

May 3, 1951: The British tug, *Caroline Moller*, while towing barge, was fired on by Chinese Communist shore batteries on the Ling Ting islands.

June 8, 1951: The British S.S. *Edith Moller* was shelled by Chinese Communist armed junk and shore batteries near Hong Kong.

June 8, 1951: The Danish ship *Marieskou*, while going up the Pearl River estuary, was shelled by Chinese Communist island batteries.

August 12, 1951: Enroute Hong Kong to Chuanchow, the British S.S. *Jade Leaf* took shelter in Tang Sang harbor. The ship, being mistaken for Nationalist, was attacked by the Chinese Communists. The attack resulted in the killing of the boatswain.

September 2, 1951: Between Hong Kong and Macao, the British flag *Yu Men*, on the regular Hong Kong-Macao run, was fired on by a Chinese small craft.

November 26, 1951: A vessel off Swatow fired on a U.S. Navy plane.

1952

January 1952: The Asiatic Petroleum Company's oil lighter *BPM 88*, sailing under British flag, was intercepted and detained by the Chinese Communists, on the fringe of Hong Kong territorial waters.

September 25, 1952: On the regular Hong Kong-Macao route the British flag S.S. *Tak Shing* was fired on and detained by an armed Chinese Communist naval vessel. The *Tak Shing* was taken to Lafsami Island where two passengers were removed.

September 25, 1952: In answer to the distress call, the H.M.S. *Mounts Bay* and consort arrived to give escort to the *Tak Shing* to Hong Kong. While still in British territorial water, 4 miles from Lafsami, Chinese Communist shore batteries fired on the *Mounts Bay*. The *Mounts Bay* returned fire and silenced the batteries.

October 13, 1952: While pursuing a suspected smuggling junk, a Hong Kong revenue launch in the vicinity of Ling Ting Island was fired on by a Chinese Communist shore battery.

November 2, 1952: A Chinese Communist armed junk took into custody two British seamen in a whale boat sailing around Hong Kong Island—about half way between Lama Island and the Ling Ting Islands. The men were taken to Canton, questioned intensively, and were returned to Hong Kong on March 19, 1953, having been detained for more than 4 months.

1953

January 18, 1953: Chinese Communist A/A fire off Swatow shot down U.S.N. *Neptune* plane. U.S.C.G. *Mariner* crashed taking off after rescue. U.S. destroyer fired on by

shore batteries, later chased by hostile craft. Total casualties were eleven missing.

March 21, 1953: Chinese Communist gunboat seized U.S. yacht *Kert* about 5 miles west of Lantau Island, 6-7 miles north of Lafsami. The following Americans were taken into custody and not released until September 1954: Richard Applegate, Benjamin Krasner, and Donald Dixon. Three Chinese, who were with the Americans, have not been released.

April 30, 1953: A Chinese Communist gunboat attacked a British-registered motor junk in international waters near Soko Island and Sang Lau Point off the southwest tip of Lantau Island. After taking refuge in British waters, a Chinese Communist gunboat and four Communists in naval uniform pursued the junk and after some shooting took it. The Hong Kong Marine Department later rescued the crew.

May 25, 1953: As it was leaving Amoy, the British S.S. *Nigelock* received small arms fire from Communist-held Hu Hsu Island.

June 30, 1953: At Scrag Point Chinese Communist shore batteries fired on the S.S. *Hydralock* of British registry.

September 9, 1953: A Chinese Communist gunboat fired on Hong Kong *ML 1323* in disputed waters in the Pearl River estuary. Resulting casualties: 6 British navy crew members and one captain of the Royal Hong Kong defense force killed.

November 11, 1953: Chinese Communist shore batteries fired on S.S. *Inchulva*, under British flag, while entering Wenchow.

November 12, 1953: The S.S. *Inchulva* again attempted to enter Wenchow. It was again shelled with no damage.

1954

June 4, 1954: Chinese Communists took British forces yacht *Elinor* which, while on a pleasure cruise, entered Chinese Communist waters through navigational error. 2 officers and 7 men aboard were detained till July 10.

Chinese Representation in the United Nations

*Statement by Ambassador Lodge
U.S. Representative to the General Assembly*¹

Madam President, let me first of all express on behalf of the United States appreciation for the statesmanlike address with which you have just favored us, and let me say too that we take great satisfaction in the way in which you have con-

¹ Made at the opening session of the Ninth General Assembly on Sept. 21 (U.S./U.N. press release 1958).

ducted yourself as president of this General Assembly during the year just ending.

Let me also, as representing the host country, extend a cordial welcome to the delegates and the alternates, expressing the hope that your stay here will be fruitful and enjoyable.

Now, Madam President, for reasons which are well known, the United States will not engage in a discussion of the substance of this question that has been raised by the representative of the Soviet Union. Indeed, we will make a motion as follows: I move that the Assembly decide not to consider at its Ninth Session during the current year any proposals to exclude the representatives of the Government of the Republic of China or to seat representatives of the Central People's Government of the People's Republic of China.

Logically, this motion takes precedence over the Soviet proposal,² and therefore I ask that rule 93 of the Rules of Procedure be invoked. This rule reads as follows: "If two or more proposals relate to the same question, the General Assembly shall, unless it decides otherwise, vote on the proposals in the order in which they have been submitted. The General Assembly may after each vote on a proposal decide whether to vote on the next proposal." That is the end of rule 93.

That rule, you will observe, gives the Assembly the power to decide questions of precedence, and I accordingly ask the Assembly to decide to vote first on my motion. Put that first, and then I will ask to vote on the motion itself.

I therefore ask the chair to put the following proposal to the Assembly, that the Assembly decides to consider first the motion just offered by the representative of the United States. Then after that motion has been voted on, it would then be in order to vote on the substantial proposal which I have made.³

² The Soviet draft resolution (U.N. doc. A/L. 176) proposed that representatives of the People's Republic of China take the seat of China in the General Assembly and in other organs of the United Nations.

³ The Assembly decided to consider the U.S. motion first, by a vote of 45-7 (Burma, Byelorussia, Czechoslovakia, Poland, Sweden, Ukraine, U.S.S.R.), with 5 abstentions. The U.S. draft resolution (U.N. doc. A/L. 177) was then approved by a vote of 43-11 (Burma, Byelorussia, Czechoslovakia, Denmark, India, Norway, Poland, Sweden, Ukraine, U.S.S.R., Yugoslavia), with 6 abstentions.

TREATY INFORMATION

Status of Tariff Concessions Under GATT

Press release 517 dated September 20

DEPARTMENT ANNOUNCEMENT

Public views were requested on September 21 regarding the status of tariff concessions granted in the General Agreement on Tariffs and Trade in view of the possibility of modification of article XXVIII of the agreement.

Article XXVIII, as it stands at present, provides that on or after July 1, 1955, any country may withdraw tariff commitments with regard to any particular product. However, a country wishing to withdraw a concession first must try to reach some basis of agreement with other interested contracting parties concerning such withdrawal. A possible basis for agreement would be the granting of new concessions as compensation for the withdrawn concession. If such efforts to arrive at agreement fail, the country can nevertheless proceed with its intended action and the other interested country then becomes free to withdraw equivalent concessions in order to restore balance in the agreement.

Because of concern that extensive use of the unilateral procedure might lead to a rather rapid increase in world tariffs, the date at which this procedure might become available, which originally was January 1, 1951, has twice been postponed. Proposals to modify the application of article XXVIII are expected to be made at the coming Ninth Session of the General Agreement which opens on October 28.

Interested persons may express views with regard to any aspect of this matter, including the general question of modification of the article, as well as possible changes in individual concessions which the United States has received or granted. Such views will be carefully considered before a final decision is reached as to the U.S. position. Certain views on this subject were presented at the hearings on the GATT review of September 13 through September 17, held by the U.S. delega-

tion to the review session.¹ These views will be made available to the trade-agreements organization for consideration along with information and views presented at the coming hearings.

Written views should be submitted to the Committee for Reciprocity Information, the interdepartmental organization which receives views with regard to trade agreement matters, by October 18. Public hearings will also be held by the committee, opening on October 18 in the auditorium of the National Archives Building, Eighth Street and Pennsylvania Avenue, Washington, D.C. Applications for appearances before the committee should be made by October 6 and should be accompanied by a written brief or by a preliminary outline indicating as specifically as possible the subject on which the individual wishes to be heard. A written brief must in all cases be submitted before the individual makes his appearance. Applications to be heard should be made to the Chairman, Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D.C.

Article XXVIII now provides, in effect:

1. On or after July 1, 1955,² any contracting party may, by negotiation and agreement with any other contracting party with which such treatment was initially negotiated, and subject to consultation with such other contracting parties as the contracting parties determine to have a substantial interest in such treatment, modify, or cease to apply, the treatment which it has agreed to accord under article II to any product described in the appropriate schedule annexed to the General Agreement. In such negotiations and agreement, which may include provision for compensatory adjustment with respect to other products, the contracting parties concerned shall endeavor to maintain a general level of reciprocal and mutually advantageous concessions not less favorable to trade than that provided for in the agreement.

2. (a) If agreement between the contracting parties primarily concerned cannot be reached, the contracting party which proposes to modify or cease to apply such treatment shall, nevertheless, be free to do so, and if such action is taken the con-

¹ For Assistant Secretary Waugh's statement at the opening of the review session, see BULLETIN of Sept. 27, 1954, p. 458.

² The applicable date in the case of Brazil is Jan. 1, 1954.

tracting party with which such treatment was initially negotiated, and the other contracting parties determined under paragraph 1 of this article to have a substantial interest, shall then be free, not later than 6 months after such action is taken, to withdraw, upon the expiration of 30 days from the day on which written notice of such withdrawal is received by the contracting parties, substantially equivalent concessions initially negotiated with the contracting party taking such action.

(b) If agreement between the contracting parties primarily concerned is reached but any other contracting party determined under paragraph 1 of this article to have a substantial interest is not satisfied, such other contracting party shall be free, not later than 6 months after action under such agreement is taken, to withdraw, upon the expiration of 30 days from the day on which written notice of such withdrawal is received by the contracting parties, substantially equivalent concessions initially negotiated with a contracting party taking action under such agreement.

NOTICE ISSUED BY INTERDEPARTMENTAL COMMITTEE

Pursuant to section 4 of the Trade Agreements Act approved June 12, 1934, as amended (48 Stat. (pt. 1) 945, ch. 474; 65 Stat. 73, ch. 141), and pursuant to paragraph 4 of Executive Order 10082 of October 5, 1949 (3 CFR, 1949 SUPP; p. 126), notice is hereby given by the Interdepartmental Committee on Trade Agreements that, in connection with the forthcoming review and renegotiation of the General Agreement on Tariffs and Trade with a view to strengthening that agreement, it is intended that consideration will be given to enhancing the firmness of the tariff concessions. In particular, consideration would be given the modification of the application of the provisions of article XXVIII of the General Agreement by extension of the date after which such provisions may be invoked, or otherwise.

Article XXVIII, which is one of the most important provisions of the General Agreement in relation to the firmness of the concessions on individual products, provides that these concessions, originally negotiated in the case of the United States at Geneva in 1947, at Annecy in 1949, or at Torquay in 1950 to 1951, may be modified or withdrawn on or after a specified date, following consultation and negotiation with other contracting parties, without the necessity of terminating the entire agreement. The article envisages that the balance between the concessions granted by the various contracting parties shall be maintained, preferably through the negotiation of new concessions in compensation for any modifications or withdrawals made, but through retaliatory modifications by other parties if agreement cannot be reached on new concessions. The date on and after which the pro-

visions of article XXVIII may now be invoked is July 1, 1955, except for concessions in Schedule III (Brazil) and concessions initially negotiated by other contracting parties with Brazil as to which such provisions may now be invoked. No modification of article XXVIII would affect the right of any contracting party to withdraw or modify individual concessions pursuant to article XIX (commonly called "the escape clause") of the General Agreement.

Pursuant to section 4 of the Trade Agreements Act, as amended, and paragraph 5 of Executive Order 10082, information and views as to any aspect of the proposals announced in this notice may be submitted to the Committee for Reciprocity Information in accordance with the announcement of this date issued by that committee. Information and views submitted, orally or in writing, to the chairman of the United States delegation for the review and renegotiation of the General Agreement, in connection with the hearings held under his direction from September 13 through September 17, 1954, will be made available to the Committee for Reciprocity Information.

By direction of the Interdepartmental Committee on Trade Agreements this 21st day of September, 1954.

CARL D. CORSE
*Chairman, Interdepartmental
Committee on Trade Agreements*

NOTICE ISSUED BY COMMITTEE FOR RECIPROCITY INFORMATION

The Interdepartmental Committee on Trade Agreements has issued on this day a notice of intention to consider possible modification of the firmness of the tariff concessions in the General Agreement on Tariffs and Trade.

The Committee for Reciprocity Information hereby gives notice that all applications for oral presentation of views in regard to the foregoing proposals shall be submitted to the Committee for Reciprocity Information not later than 12:00 noon October 6, 1954, accompanied by a written brief or by a preliminary outline indicating the subject as specifically as possible on which the individual wishes to be heard. A written brief must, in all cases, be submitted before the individual makes his oral appearance. Communications shall be addressed to "The Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D.C." Fifteen copies of written statements, either typed, printed, or duplicated shall be submitted, of which one copy shall be sworn to.

Written statements submitted to the Committee, except information and business data proffered in confidence, shall be open to inspection by interested persons. Information and business data proffered in confidence shall be submitted in separate pages clearly marked "For official use only of Committee for Reciprocity Information."

Public hearings will be held before the Committee for Reciprocity Information, at which oral statements will be heard. The first hearing will be at 10:00 a. m. on

October 18, 1954 in the auditorium of the National Archives Building, 8th and Pennsylvania Avenue, Northwest, Washington, D. C. Witnesses who make application to be heard will be advised regarding the time of their individual appearances. Appearances at hearings before the Committee may be made only by or on behalf of those persons who have, prior to that appearance, filed written briefs and who have within the time prescribed made written application for oral presentation of views. Statements made at the public hearings shall be under oath.

Copies of the notice issued today by the Interdepartmental Committee on Trade Agreements may be obtained from the Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D. C. and may be inspected in the Field Offices of the Department of Commerce.

By direction of the Committee for Reciprocity Information this 21st day of September 1954.

EDWARD YARDLEY
*Secretary, Committee for
Reciprocity Information*

Current Actions

MULTILATERAL

Germany

Agreement on German external debts. Signed at London February 27, 1953. Entered into force September 16, 1953. TIAS 2792.

Ratification deposited: Spain, August 25, 1954.

Narcotics

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.¹

Accession deposited: Cuba, September 8, 1954.

BILATERAL

Australia

Agreement amending article 5 of the agreement of November 26, 1949 (TIAS 1994) for the use of funds made available in accordance with the agreement on settlement for lend-lease, reciprocal aid, surplus war property and claims of June 7, 1946 (TIAS 1528). Effected by

¹ Not in force.

exchange of notes at Canberra September 3, 1954. Entered into force September 3, 1954.

El Salvador

Cooperative program agreement for agricultural development, pursuant to the general agreement for technical cooperation of April 4, 1952 (TIAS 2527). Signed at San Salvador July 16, 1954.

Entered into force: August 10, 1954 (the date notification of ratification was given the United States by El Salvador).

Agreement for a cooperative program of productivity, pursuant to the general agreement for technical cooperation of April 4, 1952 (TIAS 2527). Signed at San Salvador August 31, 1954. Enters into force on date that notification is given the United States of publication of the agreement in the *Diario Oficial* of El Salvador.

Greece

Agreement to correct certain errors in the English text of the convention of February 20, 1950 (TIAS 2901) for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons. Effected by exchange of notes at Athens August 3 and 19, 1954. Entered into force August 19, 1954.

Mexico

Agreement for a cooperative project with Escuela Superior de Agricultura "Antonio Narro," pursuant to the general agreement of June 27, 1951 (TIAS 2273), as amended. Effected by exchange of notes at Mexico June 17, 1954. Entered into force June 17, 1954.

Panama

Agreement extending the *modus vivendi* signed September 14, 1950 (TIAS 2481), providing for maintenance of the Boyd-Roosevelt Highway pending entry into force of the highway convention, also signed September 14, 1950. Effected by an exchange of notes at Panamá August 12, 26, and 30, 1954. Entered into force August 30, 1954.

Viet-Nam

Agreement relating to duty-free entry and defrayment of inland transportation charges on relief supplies and packages for Viet-Nam. Effected by exchange of notes at Saigon August 20 and 26, 1954. Entered into force August 26, 1954.

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†516	9/20	Robertson and Laurel: Philippine trade.
517	9/20	Request for views on GATT.
†518	9/21	Bohan: Economic relations with Latin America.
519	9/21	President Tubman's visit.
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522	9/22	Smith: Anniversary of Petkov's death.
523	9/22	Hildreth: U.S.-Pakistan.
524	9/23	Allison: Death of Japanese fisherman.
525	9/23	Dulles: Partnership for peace.
*526	9/24	Visit of Mayor of Paris.
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528	9/24	Delegation to 9-power talks in London.
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530	9/25	Dulles: Departure for London.
531	9/25	Correspondence with U.S.S.R. on atomic pool.
†532	9/25	Legation in Libya made Embassy.
533	9/25	Liberalization of Sweden's dollar trade.

*Not printed.
†Held for a later issue of the BULLETIN.



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1937, Volume IV, The Far East

Documents published in this volume deal chiefly with problems arising from the outbreak of undeclared war between China and Japan in July 1937, especially with efforts by the United States and other powers to restore peace. This is the second of two volumes dealing with the Far East crisis in 1937, *Foreign Relations of the United States, 1937, Volume III, The Far East*, having been released in June.

In 1937 China faced Japan, with the Soviet Union watching from the sidelines and discussing developments with other powers. Nine hundred pages of contemporary papers deal with not only efforts to end the undeclared war but also other phases of the war itself and repercussions affecting the United States.

The principal chapter of this volume relates to a conference called at Brussels under the terms of the Nine Power Treaty of February 6, 1922, regarding China to explore the possibility of peaceful solution of the conflict between Japan and China. Chapters are also included on American relations with China, Japan, and Siam (Thailand).

Copies of this volume may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for \$4 each.

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The Department of State bulletin

VOL. XXXI, No. 798 • PUBLICATION 5610

October 11, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has
been approved by the Director of the
Bureau of the Budget (January 22, 1952).

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Agreement on Restoration of German Sovereignty and German Association with Western Defense System

FINAL ACT OF THE NINE-POWER CONFERENCE
HELD AT LONDON, SEPTEMBER 28-OCTOBER 3

The Conference of the Nine Powers, Belgium, Canada, France, German Federal Republic, Italy, Luxembourg, Netherlands, United Kingdom of Great Britain and Northern Ireland and United States met in London from Tuesday September Twenty-eighth to Sunday October Third. It dealt with the most important issues facing the Western world, security and European integration within the framework of a developing Atlantic community dedicated to peace and freedom. In this connexion the Conference considered how to assure the full association of the German Federal Republic with the West and the German defence contribution.

Belgium was represented by His Excellency Monsieur P-H. Spaak.

Canada was represented by the Honourable L. B. Pearson.

France was represented by His Excellency Monsieur P. Mendès-France.

The Federal Republic of Germany was represented by His Excellency Dr. K. Adenauer.

Italy was represented by His Excellency Professor G. Martino.

Luxembourg was represented by His Excellency Monsieur J. Bech.

The Netherlands was represented by His Excellency J. W. Beyen.

The United Kingdom of Great Britain and Northern Ireland was represented by Rt. Hon. A. Eden, M. C., M. P.

The United States of America was represented by the Honourable J. F. Dulles.

All the decisions of the Conference formed part of one general settlement which is, directly or indirectly, of concern to all the NATO powers and

which will therefore be submitted to the North Atlantic Council for information or decision.

I. Germany

The Governments of France, the United Kingdom and the United States declare that their policy is to end the Occupation régime in the Federal Republic as soon as possible, to revoke the Occupation Statute and to abolish the Allied High Commission. The Three Governments will continue to discharge certain responsibilities in Germany arising out of the international situation.

It is intended to conclude, and to bring into force as soon as the necessary parliamentary procedures have been completed, the appropriate instruments for these purposes. General agreement has already been reached on the content of these instruments and representatives of the Four Governments will meet in the very near future to complete the final texts. The agreed arrangements may be put into effect either before or simultaneously with the arrangements for the German defence contribution.

As these arrangements will take a little time to complete, the Three Governments have in the meantime issued the following Declaration of Intent:

Recognising that a great country can no longer be deprived of the rights properly belonging to a free and democratic people; and

Desiring to associate the Federal Republic of Germany on a footing of equality with their efforts for peace and security.

The Governments of France, the United Kingdom, the United States of America desire to end the Occupation régime as soon as possible.

The fulfilment of this policy calls for the settlement of problems of detail in order to liquidate the past and

to prepare for the future, and requires the completion of appropriate Parliamentary procedures.

In the meantime, the Three Governments are instructing their High Commissioners to act forthwith in accordance with the spirit of the above policy. In particular, the High Commissioners will not use the powers which are to be relinquished unless in agreement with the Federal Government, except in the fields of disarmament and demilitarisation and in cases where the Federal Government has not been able for legal reasons to take the action or assume the obligations contemplated in the agreed arrangement.

II. Brussels Treaty

The Brussels Treaty will be strengthened and extended to make it a more effective focus of European integration.

For this purpose the following arrangements have been agreed upon:

- (a) The German Federal Republic and Italy will be invited to accede to the Treaty, suit-

ably modified to emphasise the objective of European unity, and they have declared themselves ready to do so. The system of mutual automatic assistance in case of attack will thus be extended to the German Federal Republic and Italy.

- (b) The structure of the Brussels Treaty will be re-inforced. In particular the Consultative Council provided in the Treaty will become a Council with powers of decision.
- (c) The activities of the Brussels Treaty Organisation will be extended to include further important tasks as follows:

—The size and general characteristics of the German defence contribution will conform to the contribution fixed for EDC.

—The maximum defence contribution to NATO of all members of the Brussels Treaty

**Following are the texts of Annexes I and II to Article 107 of the European Defense Community Treaty.*

Annex I to Article 107

1. *War weapons.*
 - a. Portable firearms, with the exception of hunting weapons and calibres less than 7mm.
 - b. Machine guns.
 - c. Anti-tank weapons.
 - d. Artillery and mortars.
 - e. Anti-aircraft weapons (D.C.A.).
 - f. Smoke-screen, gas and flame producing apparatuses.
2. *Munitions and rockets of all types for military use.*
 - a. Munitions for war weapons defined in Paragraph 1 hereinabove and grenades.
 - b. Self-propelled weapons.
 - c. Torpedoes of all types.
 - d. Mines of all types.
 - e. Bombs of all types.
3. *Powder and explosives for military use, including materiel primarily used for propulsions by rockets.*

Exempted will be products principally for civilian use, specifically:

 - Pyrotechnical compounds;
 - Priming explosives:
 - Fulminate of mercury;
 - Nitride of lead;
 - Trinitroresorcinatate of lead;
 - Tetrazene;
 - Chlorated Explosives;
 - Nitrate explosives with dinitrotoluene, or with dinitronaphthaline;
 - Hydrogen-peroxide at less than 60%;
 - Nitrocelluloses;
 - Black powder;

Nitric acid at less than 99% ;
Hydrate of hydogyne at less than 30%.

4. *Armored equipment.*
 - a. Tanks.
 - b. Armored vehicles.
 - c. Armored trains.
 5. *Warships of all types.*
 6. *Military aircraft of all types.*
 7. *Atomic weapons.*
 8. *Biological weapons.*¹
 9. *Chemical weapons.*¹
- } According to definitions given in Annex II, hereinbelow.
10. Constituent parts which can be used only in the construction of one of the items enumerated in groups 1, 2, 4, 5, and 6 hereinabove.²
 11. Machines which can be used only for the manufacture of one of the items enumerated in groups 1, 2, 4, 5, and 6 hereinabove.²

Annex II to Article 107

The present annex shall be deemed to include the weapons defined in Paragraphs I-VI and the manufacturing facilities especially designed for their production. Nevertheless, the provisions of Paragraphs II-VI of this annex shall be deemed to exclude any device or assembly, apparatus, production facilities, product and agency utilized for civilian purposes or serving research for sci-

¹ The Commissariat may exempt from the requirement of authorization chemical and biological substances the use of which is primarily civilian. If the Commissariat decides that it is unable to grant such exemptions, it shall limit the control which it exercises solely to the use of such substances.

² The production of models of, and the technical research concerning, the materials defined in paragraphs 10 and 11 hereinabove are not subject to the appropriate provisions of Article 107.

Organisation will be determined by a special agreement fixing levels which can only be increased by unanimous consent.

—The strength and armaments of the internal defence forces and the police on the Continent of the countries members of the Brussels Treaty Organisation will be fixed by agreements within that Organisation having regard to their proper function and to existing levels and needs.

The Brussels Treaty Powers agree to set up, as part of the Brussels Treaty Organisation, an Agency for the control of armaments on the Continent of Europe of the continental members of the Brussels Treaty Organisation. The detailed provisions are as follows.

1. The functions of the Agency shall be

(a) to ensure that the prohibition of the manu-

facture of certain types of armaments as agreed between the Brussels Powers is being observed;

(b) to control the level of stocks held by each country on the Continent of the types of armaments mentioned in the following paragraph. This control shall extend to production and imports to the extent required to make the control of stocks effective.

2. The types of armaments to be controlled under 1 (b) above shall be

(a) weapons in categories I, II and III listed in Annex II to Article 107 of the EDC Treaty;*

(b) weapons in the other categories listed in Annex II to Article 107 of the EDC Treaty.

(c) A list of major weapons taken from Annex I to the same Article to be established hereafter by an expert working group.

Measures will be taken to exclude from control

entific, medical and industrial purposes in the spheres of pure and applied science.

I. Atomic Weapons.

a. An atomic weapon is defined as any weapon which contains, or is designed to contain or utilize, nuclear fuel or radioactive isotopes and which, by explosion or other uncontrolled nuclear transformation of the nuclear fuel, or by radioactivity of the nuclear fuel or radioactive isotopes, is capable of mass destruction, mass injury or mass poisoning.

b. Furthermore, any part, device, assembly or material especially designed for, or primarily useful in, any weapon as set forth under Paragraph a, shall be deemed to be an atomic weapon.

c. Any quantity of nuclear fuel produced in any one year in excess of 500 grammes will be considered material especially designed for, or primarily useful in, atomic weapons.

d. Nuclear fuel as used in the preceding definition includes plutonium, Uranium 233, Uranium 235 (including Uranium 235 contained in Uranium enriched to over 2.1 per cent by weight of Uranium 235) and any other material capable of releasing substantial quantities of atomic energy through nuclear fission or fusion or other nuclear reaction of the material. The foregoing materials shall be considered to be nuclear fuel regardless of the chemical or physical form in which they exist.

II. Chemical Weapons.

a. A chemical weapon is defined as any equipment or apparatus expressly designed to use, for military purposes, the asphyxiating, toxic, irritant,

paralysant, growth-regulating, anti-lubricating or catalyzing properties of any chemical substance.

b. Subject to the provisions of Paragraph c, chemical substances, having such properties and capable of being used in the equipment or apparatus referred to in Paragraph a, shall be deemed to be included in this definition.

c. Such apparatus and such quantities of the chemical substances as are referred to in Paragraphs a and b which do not exceed peaceful civilian requirements shall be deemed to be excluded from this definition.

III. Biological Weapons.

a. A biological weapon is defined as any equipment or apparatus expressly designed to use, for military purposes, harmful insects or other living or dead organisms, or their toxic products.

b. Subject to the provisions of Paragraph c, insects, organisms and their toxic products of such nature and in such amounts as to make them capable of being used in the equipment or apparatus referred to in a shall be deemed to be included in this definition.

c. Such equipment or apparatus and such quantities of the insects, organisms and their toxic products as are referred to in Paragraphs a and b which do not exceed peaceful civilian requirements shall be deemed to be excluded from the definition of biological weapons.

IV. Long-range Missiles, Guided Missiles and Influence Mines.

a. Subject to the provisions of Paragraph d, long-

Footnote continued on next page.

materials and products in the above lists for civil use.

3. As regards the weapons referred under paragraph 2 (a) above when the countries which have not given up the right to produce them have passed the experimental stage and start effective production, the level of stocks that they will be allowed to hold on the Continent shall be decided by the Brussels Treaty Council by a majority vote.
4. The continental members of the Brussels Treaty Organisation agree not to build up stocks nor

range missiles and guided missiles are defined as missiles such that the velocity or direction of motion can be influenced after the instant of launching by a device or mechanism inside or outside the missile, including V-type weapons developed in the recent war and subsequent modifications thereof. Combustion is considered as a mechanism which may influence the velocity.

b. Subject to the provisions of Paragraph *d*, influence mines are defined as naval mines which can be exploded automatically by influences which emanate solely from external sources, including influence mines developed in the recent war and subsequent modifications thereof.

c. Parts, devices or assemblies specially designed for use in or with the weapons referred to in Paragraphs *a* and *b* shall be deemed to be included in this definition.

d. Proximity fuses, and short-range guided missiles for anti-aircraft defense with the following maximum characteristics, are regarded as excluded from this definition:

Length, 2 meters;
Diameter, 30 centimeters;
Velocity, 660 meters per second;
Ground range, 32 kilometres;
Weight of war-head, 22.5 kilogrammes.

V. *Naval Vessels other than Minor Defensive Craft.*

Naval Vessels other than minor defensive craft mean:

- a. Warships over 1,500 tons displacement.
- b. Submarines.
- c. All warships powered by means other than steam, diesel or petrol engines or gas turbines or jets.

VI. *Military Aircraft.*

Complete military aircraft and components thereof, as listed below:—

- a. Air frames—center section spars, wing panel spars, longerons.
- b. Jet engines—centrifugal impellers, turbo discs, burners, axial flow center shafts.
- c. Reciprocating engines—cylinder blocks, super-charger impellers.

to produce the armaments mentioned in paragraph 2 (b) and (c) beyond the limits required (a) for the equipment of their forces, taking into account any imports including external aid, and (b) for export.

5. The requirements for their NATO forces shall be established on the basis of the results of the Annual Review and the recommendations of the NATO military authorities.

6. For forces remaining under national control, the level of stocks must correspond to the size and mission of those forces. That level shall be notified to the Agency.

7. All importations or exportations of the controlled arms will be notified to the Agency.

8. The Agency will operate through the examination and collation of statistical and budgetary data. It will undertake test checks and will make such visits and inspections as may be required to fulfil its functions as defined in paragraph 1 above.

9. The basic rules of procedure for the Agency shall be laid down in a Protocol to the Brussels Treaty.

10. If the Agency finds that the prohibitions are not being observed, or that the appropriate level of stocks is being exceeded, it will so inform the Brussels Council.

11. The Agency will report and be responsible to the Brussels Council, which will take its decisions by a majority vote on questions submitted by the Agency.

12. The Brussels Council will make an Annual Report on its activities concerning the control of armaments to the Delegates of the Brussels Treaty Powers to the Consultative Assembly of the Council of Europe.

13. The Governments of the U.S.A. and Canada will notify the Brussels Treaty Organisation of the military aid to be distributed to the continental members of that Organisation. The Organisation may make written observations.

14. The Brussels Council will establish a Working Group in order to study the draft directive presented by the French Government and any other papers which may be submitted on the subject of armaments production and standardisation.

15. The Brussels Treaty Powers have taken note

of the following Declaration of the Chancellor of the Federal Republic of Germany and record their agreement with it:

THE FEDERAL CHANCELLOR DECLARES:

that the Federal Republic undertakes not to manufacture in its territory any atomic weapons, chemical weapons or biological weapons, as detailed in paragraphs I, II and III of the attached lists;

that it undertakes further not to manufacture in its territory such weapons as those detailed in paragraphs IV, V and VI of the attached list. Any amendment to or cancellation of the substance of paragraphs IV, V and VI can, on the request of the Federal Republic, be carried out by a resolution of the Brussels Council of Ministers by a two-thirds majority, if in accordance with the needs of the armed forces a request is made by the competent supreme commander of NATO;

that the Federal Republic agrees to supervision by the competent authority of the Brussels Treaty Organisation to ensure that these undertakings are observed.

List Appended to the Declaration by the Federal Chancellor

This list comprises the weapons defined in paragraphs I to VI and the factories earmarked solely for their production. All apparatus, parts, equipment, installations, substances and organisms which are used for civilian purposes or for scientific, medical and industrial research in the fields of pure and applied science shall be excluded from this definition.

I. Atomic weapons

Text as in Annex II paragraph I to Article 107 of the EDC Treaty with the deletion of (c).

II. Chemical weapons

III. Biological weapons

IV. Long distance missiles, guided missiles, magnetic and influence mines

Texts as in Annex II, paragraphs II, III and IV to Article 107 of the EDC Treaty.

V. Warships, with the exception of smaller ships for defence purposes

"Warships, with the exception of smaller ships for defence purposes are:

- (a) Warships of more than 3,000 tons displacement.
- (b) Submarines of more than 350 tons displacement.
- (c) All warships which are driven by means other than steam, Diesel or petrol engines or by gas turbines or by jet engines".

VI. Bomber aircraft for strategic purposes

The closest possible co-operation with NATO shall be established in all fields.

Results of London Conference

Statement by Secretary Dulles¹

The London Conference produced solid results. It worked out a system, in place of the European Defense Community, which can preserve and strengthen the Atlantic community by giving it a hard core of European unity. Thus, it salvages many of the values of the EDC plan and will give opportunity for the other values to be achieved by further effort. The fact that all of this was done, and done within 33 days of the rejection of EDC, shows the vitality of the Atlantic community. Under this new plan:

German sovereignty will be restored, and beginning today the Allied High Commissioners will forego the exercise of most of their occupation rights.

Germany will join NATO and make its indispensable contribution to the defense of the West. This will be done within a Continental system of armament controls.

Western unity will be developed within the framework of the Brussels Treaty. The treaty members will become identical with the projected membership of EDC, the United Kingdom being an additional member. Their Council will have broad authority and can act in many important matters by a majority vote. Thus national authority gives way to European authority.

The United Kingdom has made a momentous long-term commitment of its military forces to the continent of Europe.

Much of what was agreed on will, of course, require further approvals by other nations and by parliaments.

When I went to London, I said that the initiative rested with the European powers.² They had exercised that initiative.

The result is what the Europeans decided on for themselves. The United States will, I hope, co-operate with the result, because to do so will be very much in our national interests.

¹ Made at Washington National Airport on Oct. 4 (press release 547).

² BULLETIN of Oct. 4, 1954, p. 489.

III. United States, United Kingdom and Canadian Assurances

The United States Secretary of State set forth the willingness of the United States to continue its support for European unity, in accordance with the following statement.

If, using the Brussels Treaty as a nucleus, it is possible to find in this new pattern a continuing hope of unity among the countries of Europe that are represented here,

and if the hopes that were tied into the European Defense Community Treaty can reasonably be transferred into the arrangements which will be the outgrowth of this meeting, then I would certainly be disposed to recommend to the President that he should renew the assurance offered last spring in connection with the European Defense Community Treaty to the effect that the United States will continue to maintain in Europe, including Germany, such units of its armed forces as may be necessary and appropriate to contribute its fair share of the forces needed for the joint defense of the North Atlantic area while a threat to the area exists and will continue to deploy such forces in accordance with agreed North Atlantic strategy for the defense of this area.

The United Kingdom confirmed its active participation in the Brussels Treaty Organisation and gave the following assurance about the maintenance of United Kingdom forces on the continent of Europe.

The United Kingdom will continue to maintain on the mainland of Europe, including Germany, the effective strength of the United Kingdom forces now assigned to SACEUR, four divisions and the Tactical Air Force, or whatever SACEUR regards as equivalent fighting capacity. The United Kingdom undertakes not to withdraw those forces against the wishes of the majority of the Brussels Treaty Powers, who should take their decision in the knowledge of SACEUR's views.

This undertaking would be subject to the understanding that an acute overseas emergency might oblige Her Majesty's Government to omit this procedure.

If the maintenance of United Kingdom forces on the mainland of Europe throws at any time too heavy a strain on the external finances of the United Kingdom, the United Kingdom will invite the North Atlantic Council to review the financial conditions on which the formations are maintained.

Canada reaffirmed in the following statement its resolve to discharge the continuing obligations arising out of its membership in NATO and its support of the objective of European unity.

As far as we are concerned, the North Atlantic Treaty Organisation remains the focal point of our participation in collective defence and of our hope for the development of closer cooperation with the other peoples of the Atlantic community. As such, it remains a foundation of Canadian foreign policy. While we emphasise, then, our belief in the North Atlantic Treaty Organisation we welcome the proposed extension of the Brussels Treaty. We shall look forward to a growing relationship, within the framework of NATO, with the new Brussels Treaty Organisation, composed of countries with whom we are already bound by such close ties.

IV. NATO

The powers present at the Conference which are members of NATO agreed to recommend at the

next ministerial meeting of the North Atlantic Council that the Federal Republic of Germany should forthwith be invited to become a member.

They further agreed to recommend to NATO that its machinery be reinforced in the following respects:

(a) All forces of NATO countries stationed on the Continent of Europe shall be placed under the authority of SACEUR, with the exception of those which NATO has recognised or will recognise as suitable to remain under national command.

(b) Forces placed under SACEUR on the Continent shall be deployed in accordance with NATO strategy.

(c) The location of such forces shall be determined by SACEUR after consultation and agreement with the national authorities concerned.

(d) Such forces shall not be redeployed on the Continent nor used operationally on the Continent without his consent, subject to appropriate political guidance from the North Atlantic Council.

(e) Forces placed under SACEUR on the Continent shall be integrated as far as possible consistent with military efficiency.

(f) Arrangements shall be made for the closer coordination of logistics by SACEUR.

(g) The level and effectiveness of forces placed under SACEUR on the Continent and the armaments and equipment, logistics, and reserve formations of those forces on the Continent shall be inspected by SACEUR.

The Conference recorded the view of all the governments represented that the North Atlantic Treaty should be regarded as of indefinite duration.

V. Declaration by the German Federal Government and Joint Declaration by the Governments of France, United Kingdom and United States of America

The following declarations were recorded at the Conference by the German Federal Chancellor and by the Foreign Ministers of France, United Kingdom and United States of America.

Declaration by German Federal Republic

The German Federal Republic has agreed to conduct its policy in accordance with the principles of the Charter of the United Nations and accepts the obligations set forth in Article 2 of the Charter.

Upon her accession to the North Atlantic Treaty and the Brussels Treaty, the German Federal Republic declares that she will refrain from any action inconsistent with the strictly defensive character of the two treaties. In particular the German Federal Republic undertakes never to have recourse to force to achieve the reunification of Germany or the modification of the present boundaries of the German Federal Republic, and to resolve by peaceful means any disputes which may arise between the Federal Republic and other States.

Declaration by the Governments of United States of America, United Kingdom and France

The Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the French Republic,

Being resolved to devote their efforts to the strengthening of peace in accordance with the Charter of the United Nations and in particular with the obligations set forth in Article 2 of the Charter

- (i) to settle their international disputes by peaceful means in such a manner that international peace and security and justice are not endangered;
- (ii) to refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State, or in any other manner inconsistent with the purposes of the United Nations;
- (iii) to give the United Nations every assistance in any action it takes in accordance with the Charter, and to refrain from giving assistance to any State against which the United Nations take preventive or enforcement action;
- (iv) to ensure that States which are not Members of the United Nations act in accordance with the principles of the Charter so far as may be necessary for the maintenance of international peace and security.

Having regard to the purely defensive character of the Atlantic Alliance which is manifest in the North Atlantic Treaty, wherein they reaffirm their faith in the purposes and principles of the Charter of the United Nations and their desire

to live in peace with all peoples and all Governments, and undertake to settle their international disputes by peaceful means in accordance with the principles of the Charter and to refrain, in accordance with those principles, from the threat or use of force in their international relations,

Take note that the German Federal Republic has by a Declaration dated October 3rd accepted the obligations set forth in Article 2 of the Charter of the United Nations and has undertaken never to have recourse to force to achieve the reunification of Germany or the modification of the present boundaries of the German Federal Republic, and to resolve by peaceful means any disputes which may arise between the Federal Republic and other states:

DECLARE THAT

1. They consider the Government of the Federal Republic as the only German Government freely and legitimately constituted and therefore entitled to speak for Germany as the representative of the German people in international affairs.

2. In their relations with the Federal Republic they will follow the principles set out in Article 2 of the United Nations Charter.

3. A peace settlement for the whole of Germany, freely negotiated between Germany and her former enemies, which should lay the foundation of a lasting peace, remains an essential aim of their policy. The final determination of the boundaries of Germany must await such a settlement.

4. The achievement through peaceful means of a fully free and unified Germany remains a fundamental goal of their policy.

5. The security and welfare of Berlin and the maintenance of the position of the Three Powers there are regarded by the Three Powers as essential elements of the peace of the free world in the present international situation. Accordingly they will maintain armed forces within the territory of Berlin as long as their responsibilities require it. They therefore reaffirm that they will treat any attack against Berlin from any quarter as an attack upon their forces and themselves.

6. They will regard as a threat to their own peace and safety any recourse to force which in violation of the principles of the United Nations Charter threatens the integrity and unity of the Atlantic alliance or its defensive purposes. In the event of any such action, the three Governments,

for their part, will consider the offending government as having forfeited its rights to any guarantee and any military assistance provided for in the North Atlantic Treaty and its protocols. They will act in accordance with Article 4 of the North Atlantic Treaty with a view to taking other measures which may be appropriate.

7. They will invite the association of other member States of the North Atlantic Treaty Organisation with this Declaration.

VI. Future Procedure

The Conference agreed that representatives of the governments concerned should work out urgently the texts of detailed agreements to give effect to the principles laid down above. These will be submitted, where appropriate, to the North Atlantic Council, and to the four Governments directly concerned with the future status of the Federal Republic. The Conference hoped that it would be possible to hold a ministerial meeting of the North Atlantic Council on October 22 to decide on the arrangements affecting Naro. This will be preceded by meetings of the four Foreign Ministers on the question of German sovereignty and of the nine Foreign Ministers.

These agreements and arrangements constitute a notable contribution to world peace. A Western Europe is now emerging which, resting on the close association of the United Kingdom with the Continent and on growing friendship between the participating countries, will re-inforce the Atlantic community. The system elaborated by the Conference will further the development of European unity and integration.

ANNEX

Draft Declaration and Draft Protocol to Brussels Treaty

The Governments of Belgium, France, Luxembourg, the Netherlands and the United Kingdom, parties to the Brussels Treaty of March 17, 1948, for collaboration in economic, social and cultural matters and for legitimate collective self-defence,

Aware that the principles underlying the association created by the Brussels Treaty are also recognised and applied by the Federal Republic of Germany and Italy,

Noting with satisfaction that their devotion to peace and their allegiance to democratic institutions constitute common bonds between the countries of Western Europe,

Convinced that an association with the Federal Republic of Germany and Italy would represent a new and substantial advance in the direction already indicated by the treaty,

DECIDE,

In application of Article IX of the treaty, to invite the Federal Republic of Germany and Italy to accede to the Brussels Treaty, as revised and completed by the protocol (and list of agreements and documents to be specified in the final text).

DRAFT PROTOCOL TO THE BRUSSELS TREATY

H. M. King of the Belgians, the President of the French Republic, President of the French Union, H. R. H. the Grand Duchess of Luxembourg, H. M. the Queen of the Netherlands, H. M. the Queen of the United Kingdom of Great Britain and Northern Ireland and of her other realms and territories, head of the Commonwealth, parties to the Treaty of Economic, Social and Cultural Collaboration and Collective Self-Defence, signed at Brussels on March 17, 1948, hereinafter referred to as the treaty, on the one hand,

And the President of the Federal Republic of Germany and the President of the Italian Republic on the other hand,

Inspired by a common will to strengthen peace and security,

Desirous to this end of promoting the unity and of encouraging the progressive integration of Europe,

Convinced that the accession of the Federal Republic of Germany and the Italian Republic to the treaty will represent a new and substantial advance towards these aims:

ARTICLE I

The Federal Republic of Germany and the Italian Republic hereby accede to the treaty, as revised and completed by the present protocol (and the list of agreements and documents).

ARTICLE II

(A) The subparagraph of the preamble to the treaty "to take such steps as may be held necessary in the event of renewal by Germany of a policy of aggression" shall be modified to read:

"To promote the unity and to encourage the progressive integration of Europe."

(B) The following new article shall be inserted in the treaty as Article IV:

"IV. In execution of the treaty, the high contracting parties and any organs established by them under the treaty shall work in close cooperation with the North Atlantic Treaty Organization."

The present Article IV of the treaty and the succeeding articles shall be renumbered accordingly.

(C) Article VIII, formerly Article VII, of the treaty, shall read:

"For the purpose of consulting together on all questions dealt with in the present treaty and its protocol and the agreements and other documents set out in Article I above and of strengthening peace and security and of promoting

unity and of encouraging the progressive integration of Europe and closer cooperation between member states and with other European organisations, the high contracting parties will create a council, which shall be so organised as to be able to exercise its functions continuously. The council shall meet at such times as it shall deem fit.

"At the request of any of the high contracting parties, the council shall be immediately convened in order to permit the high contracting parties to consult with regard to any situation which may constitute a threat to peace, in whatever area this threat should arise, or with regard to any situation constituting a danger to economic stability."

ARTICLE III

The present protocol and the agreements set out in Article II above shall be ratified and the instruments of ratification shall be deposited as soon as possible with the Belgian Government. They shall enter into force upon the date of deposit of the last instrument of ratification.

ANNEX

Statement by the United States Secretary of State (The Hon. John Foster Dulles) at the Fourth Plenary Meeting [September 29]

At the time when we thought that the European Defense Community Treaty would promptly be put to a vote of the French Parliament—that was some time last spring—the United States indicated that it would be prepared to make a declaration with respect to its intentions as to the maintenance of armed forces in Europe in the event that the European Defense Community Treaty should come into force. The text of that message¹ was communicated to the six nations that were signatory to the European Defense Community Treaty, and also to the United Kingdom. The essence of that declaration was that the United States would continue to maintain in Europe, including Germany, such units of its armed forces as may be necessary to contribute its fair share of the forces needed for the joint defense of the North Atlantic area while the threat to that area exists, and that we would continue to maintain such forces in accordance with the agreed North Atlantic strategy for the defense of this area. There were other provisions of that declaration. In fact, there were six, one of which related

to treating the North Atlantic Treaty as a treaty of indefinite duration, rather than only for a fixed period of years.

I do not need, I think, to read the full text of that declaration, because it has, as I say, been communicated to all of the governments who are represented here. You doubtless are already familiar with, and can readily consult, the text which was sent to you at that time. That declaration was made, as I say, in anticipation of the coming into force of the European Defense Community Treaty. The declaration was made after consultation with the leaders of both parties in the Congress of the United States. It would have been as solemn and definitive an obligation as the United States is constitutionally capable of making in this matter.

I should perhaps explain that under our constitutional system the President of the United States is Commander in Chief of the Armed Forces of the United States and, as such, has the right to determine their disposition. That is a right which cannot be impaired by action of the Congress. Also, while Congress has no authority to deprive the President of his right as Commander in Chief of the Armed Forces to make such disposition of those forces as he believes to be in the interest of the security of the United States, it is equally the case that one President of the United States is not constitutionally able to bind his successors in this matter.

Each President of the United States comes into office enjoying the right to dispose of the armed forces of the United States as he thinks best serves the interests of the United States in accordance with the advice which he gets from his military advisers.

Therefore it is not constitutionally possible for the United States by treaty, by law, or in any other way to make a legally binding, fixed commitment to maintain any predetermined quota of armed forces in any particular part of the world for any particular period of time.

It is nevertheless possible for the President to define a policy which in his opinion makes it appropriate to maintain certain elements of the armed forces of the United States in certain areas in pursuance of that policy. And if the policy is a basic and fundamental one, it is extremely unlikely that that allocation of forces would be altered. Now, this declaration that I refer to was

¹ BULLETIN of Apr. 26, 1954, p. 619.

designed to involve an exercise, to the fullest degree possible under our constitutional system, of the determination of our Government to support the European Defense Community by contributing armed forces which would be subject to integration with its forces, and that declaration was made with the confidence that the policy that it reflected would be pursued because of the very great interest which the United States has in the creation of unity in Europe, and the fact that our Nation has historically shown its willingness to make tremendous contributions if, in its opinion, that will aid in the real unification of Europe.

I might recall that the European Recovery Plan—the Marshall plan as it was called—was made pursuant to a congressional act which said that the purpose was to promote the unification of Europe. The North Atlantic Treaty was an engagement which was quite unprecedented for the United States. It was quite unprecedented for the United States to make that kind of long-range alliance with other countries. That was directly contrary to our earlier policies which had been pursued for over 100 years. That action was taken only after the European countries themselves had first come together under this Brussels Treaty which we are talking about so much today. It was the encouragement which came from that which very largely led to our going on and joining in the commitments of the North Atlantic Treaty.

The first action taken to provide military aid to Europe was under the Military Defense Assistance Act of 1949. The language of it was that it was designed to promote the integration of the defense of Europe. I think that the history of our action, both our positive action and negative action, shows that we respond in many ways like a barometer to the climate which exists in Europe. If the climate is one of unity and cohesion, our assistance and aid of every kind goes out. If the climate is one of dissension, disunity, revival of threats of war, perpetuation of the cycle of recurrent war, then our tendency is to withdraw. The declaration which we felt able to make in support of the European Defense Community was on the assumption that that was a permanent act which would tie together organically the countries of Europe which in the past have been separate and among whom war has been bred. We felt that it tied them together so permanently, so organically, that we could regard that old chapter as a closed chap-

ter and could hopefully commit our strength to Europe in the confidence that our soldiers over here in Europe would be in a structure which was safe and sound, that we were not putting our troops in the midst of what has historically been the world's worst fire hazard.

Now, a committal of that character is not lightly made, and I would say in all frankness that as the situation stands today it would not be possible for the President of the United States to renew that committal. There has been a great wave of disillusionment which has swept over the United States, and it is particularly manifest in the Congress—a great wave of disillusionment over what has happened, and a feeling that, after all, the situation in Europe is pretty hopeless and the United States had better not make any long-term commitments to be part of it.

That conclusion is so disastrous in my opinion both for the nations of Europe and for the United States that I hope most ardently that what is done here will make it possible to come to a different conclusion, and that it will change the atmosphere, the feeling, in the United States to a degree which will permit of a renewal of the pledge by the United States to maintain in Europe such elements of its armed forces as may be necessary or appropriate to contribute our fair share of what is needed for the common defense of this North Atlantic area while the threat to that area exists. I cannot say at this moment that a renewal of that commitment is possible. I can say, and must repeat, that, as things stand today, it is not possible. But if, out of the elements of the situation with which we are dealing—if, using the Brussels Treaty as a nucleus, it is possible to find in this new pattern a continuing hope of unity among the countries of Europe that are represented here, and if the hopes that were tied into the European Defense Community Treaty can reasonably be transferred into the arrangements which will be the outgrowth of this meeting, then I would certainly be disposed to recommend to the President that he should renew a pledge comparable to that which was offered in connection with the European Defense Community Treaty.

Obviously the context of the pledge would have to be changed, because in the form in which it was given it related distinctively to the European Defense Community Treaty.

Just what rephrasing would be required to give

it the new look that would be appropriate to the new situation, that is a matter which I have not studied and which could not usefully be studied until we know whether or not a promise of genuine and durable unity will come out of the deliberations of this gathering and those which may succeed it.

That, Mr. Chairman, is as clear a statement as I can make today of the position of my Government in relation to this matter. We are extremely anxious to contribute all that we can from a material and constitutional standpoint to promote the kind of unification which will above all end a situation which has led to recurrent wars which have weakened and drained the Western nations so that our whole Western civilization is in jeopardy as never before in a thousand years.

In reason you can count on us. I think that what we have done since the end of the war in terms of economic contribution, military contributions, the willingness to contribute our best and ablest brains in terms of both military and economic matters, all of that I think is a proof which cannot be challenged as to what our disposition is in this matter. You can be confident that that disposition will be reflected by genuine support to the extent that is appropriate if there is, on this side, the movement toward unity, if there is a beacon light still ahead, if we do not feel that we have come to a watershed where efforts toward unity finally are ended and we are going down on the other side into the abyss of continuing disunity. I do not think that is going to happen. If it does not happen, then you can count on the United States' acting in support of what the European countries do. I believe that you will find that the American flag, with all it symbolizes, will continue to fly alongside of your own here in Europe.

Statement by the United Kingdom Secretary of State (The Rt. Hon. Anthony Eden, M. P.) at the Fourth Plenary Meeting [September 29]

Gentlemen, I think we all feel that we have just listened to a statement from the United States Secretary of State of very rare quality and much valued frankness. What he has said to us, those of us who are European, is I think all that in present conditions we could possibly expect from the United States.

As we survey these post-war years we, I fear, too readily at times take for granted what this generous brother has done for us in Europe at a time when but for his help all must have collapsed in confusion and, perhaps, into communism also. On behalf of the country I represent here, I would like to assure him that what the United States has done are not—"All good deeds past, forgot as soon as done"—but will be remembered with thankfulness, and not for our own sakes alone. So I would like to tell Mr. Foster Dulles that the words he has said, so far as our Government are concerned, will be examined with gratitude and with understanding, and that we shall do our best—I believe this conference will do its best—to prove worthy of that greater confidence the United States will show as we establish our ability to prove our unity and our strength.

Now in all this I am conscious that my own country has a part to play. I do not want to go back over the full history of past declarations and past undertakings, though there are perhaps one or two that I ought to mention if the setting of what I want to say this afternoon is to be understood. We gave, as the United States Government gave, a series of undertakings to the Edc. We gave them by treaty, we gave them by agreement, we gave them by declarations, and, as I have already informed my colleagues, we stand by those undertakings and we are ready to reaffirm them. They are not, I think, unimportant, but some of them are, it is true, inapplicable in the absence of Edc. Some of those that have as a result of the disappearance of Edc now disappeared may, and probably will, be covered by the proposals which this conference is now considering. The provision of automatic military assistance, for instance, which was contained in our treaty with Edc will be reproduced, I trust, by the proposed enlargement of the Brussels Treaty. Co-operation between the armed forces; the deployment and integration of those forces; consultation about the level of forces, will all now take place, though perhaps within a different framework.

I am very conscious, and so are my colleagues, that there is one particular plane on which many of you here would wish us to make our position clearer, and where, if we were able to do so, it might assist the work of this conference. This relates to the maintenance of British forces on the

continent of Europe, and in respect of that I have a new proposal to put to my colleagues. The United Kingdom will continue to maintain on the mainland of Europe, including Germany, the effective strength of the United Kingdom forces which are now assigned to SACEUR—four divisions and the tactical Air Force—or whatever SACEUR regards as equivalent fighting capacity.

The United Kingdom undertakes not to withdraw those forces against the wishes of the majority of the Brussels Treaty Powers, who should take their decision in the knowledge of SACEUR's views. This undertaking would be subject to the understanding that an acute overseas emergency might oblige Her Majesty's Government to omit this procedure. If maintenance of the United Kingdom forces on the mainland of Europe throws at any time too heavy a strain on the external finances of the United Kingdom, then we would invite the North Atlantic Council to review the financial conditions on which the formations are maintained.

My colleagues will realise that what I have announced is for us a very formidable step to take. You all know that ours is above all an island story. We are still an island people in thought and tradition, whatever the modern facts of weapons and strategy may compel. And it has been not without considerable reflection that the Government which I represent here has decided that this statement could be made to you this afternoon. I want only to add this: we are making it in just the same spirit as Mr. Dulles spoke just now, because we hope that by doing so we shall make a contribution to enable this conference to succeed, and recreate confidence on this European continent, and make it possible for us to show an example of unity to the world. Of course, you will understand that what we have just said, and the undertaking we are prepared to give, does depend on the outcome of our work. If we succeed here, then this undertaking stands; if we do not, H. M. Government could not regard itself as committed to what I have said this afternoon. That applies to the whole of our work, all the work that we are doing here. So I can only conclude by saying I hope the conference will consider that what we have said will be a contribution to bring us at least a stage nearer the successful conclusion of our labours.

Statement by the Canadian Minister for External Affairs (The Hon. Lester Pearson) at the Fourth Plenary Meeting [September 29]

Mr. Chairman, this item on the agenda, which I apologise for returning to—item 5—is headed “United Kingdom and United States Declarations.” I assume that under it I would be quite in order in expressing great appreciation for the statements which have been made by you and by Mr. Dulles this afternoon, and I hope I would not be ruled out of order if I make a short declaration on behalf of my own country.

Your statement, Mr. Chairman, if I may say so, was one of historic importance. If it is thought, as it sometimes is, that the United Kingdom looks across the Channel more intensely in war than in peacetime, that feeling certainly must have been removed by your statement earlier this afternoon. To me it was all the more impressive because I recognise that the source of the power and the glory of this island has been its vision across the seas.

The statement of Mr. Dulles was also important, not only for the development of European unity but for that larger Atlantic Community development with which we are all concerned. Indeed, as I see it, European unity cannot be effectively secured unless the lines not only across the Channel but across the Atlantic are strong and unbroken. My country has a part to play in this Atlantic aspect of the problem. Therefore, we accept the continuing obligations arising out of our membership of the North Atlantic Treaty Organization, and we are resolved to continue to do our best to discharge them. The disappearance of EDC does not, we think, affect those obligations, because EDC—though we were indeed disappointed in its disappearance—because EDC, as we saw it, was a means to an end and not an end in itself. We are here to find an alternative method to accomplish the same purpose. That alternative method, that alternative arrangement, must include the association of Germany not only with the defence of Europe and the West, but—and this is, I am sure, equally important—with the development of the Atlantic Community; an association to be brought about in such a way that the fears that we have inherited from the unhappy past will be replaced by a new and better hope for the future.

So new methods are being discussed this week

and new solutions are being sought. As far as we are concerned, however, the North Atlantic Treaty Organization remains the focal point of our participation in collective defence and of our hope for the development of closer co-operation with the other peoples of the Atlantic Community. As such, it remains a foundation of Canadian foreign policy. Indeed, enduring and whole-hearted support for NATO is for us a policy above politics on which I think our friends can rely.

That support in defence matters is now worked out each year by consultation through the appropriate agencies of our organization—that is, NATO. Apart from mutual aid, it now takes the form of naval forces, an infantry brigade group, and an air division of 12 jet fighter squadrons stationed in Europe. We will continue to assist in the common defence through the existing NATO procedures until better ones are agreed on. The presence of these Canadian forces on the European continent is not only a measure of our military contribution to the common defence but an evidence of our belief in the future of the North Atlantic Community.

While we emphasize, then, our belief in the North Atlantic Treaty Organization, we welcome the proposed extension of the Brussels Treaty. We shall look forward to a growing relationship within the framework of NATO to the Brussels Treaty countries with whom we are bound by such close ties.

We are sure, and I hope our confidence will be realized—I know it will—that these new arrangements through Brussels can be developed without weakening or diminishing NATO in any way in its essential functions, because NATO, with Germany associated with it under agreed arrangements, should, we think, be a stronger force than ever against war, and for the progressive development of the Atlantic Community.

We are also certain, Mr. Chairman, that in this development the United States, which has played such a magnificent, generous, and indeed essential part, will continue to be able to do so. Mr. Dulles has given us hope in that regard this afternoon.

We Canadians, being neighbours of the United States, know as well as anybody else that that country does not fail to accept and to meet, successfully, any great international challenge which faces it. We are certain that in the days ahead it will continue to meet the challenge of assist-

ing in the development of European unity and the Atlantic Community—and the two go together.

The work, then, which we are doing this week must, in order to succeed, make possible the continued contribution of the United States to these great objectives. If that is done, and I know it is going to be done, it will also, I assure you, make it much easier for my own country to continue to do its share.

ANNEX

Conference Paper on a German Defence Contribution and Arrangements To Apply to SACEUR's Forces on the Continent

The nine Governments represented at the London Conference agree to instruct representatives to draw up in Paris, in concert with the military and civilian agencies of NATO through the Secretary General, detailed proposals, for approval by the North Atlantic Council, for a German defence contribution and arrangements to be applied to SACEUR's forces on the Continent. These detailed proposals shall be based on the following principles agreed between the nine Governments:

1. (a) The seven Brussels Treaty Powers will conclude a special agreement setting out the forces each of them will place under SACEUR on the Continent.

(b) The German contribution shall conform in size and general characteristics to the contribution fixed for the EDC brought up to date and adapted as necessary to make it suitable for NATO.

(c) The terms of this special agreement will be agreed with the other NATO countries.

(d) If at any time the NATO Annual Review recommends an increase above the figures in the Brussels Special Agreement such increase will require the unanimous approval of the Brussels Powers expressed in the Brussels Council or in NATO.

(e) The Brussels Powers will ask that arrangements be made for SACEUR to designate a high-ranking officer who will be instructed to transmit regularly to the Brussels Treaty Organisation information acquired as indicated in 3 (f) below in order to permit that Organisation to establish that the figures agreed among the Brussels Powers are being observed.

2. All forces of NATO countries stationed on the Continent of Europe shall be placed under the authority of SACEUR, with the exception of the forces which NATO has recognised or will recognise as suitable to remain under national command. The strength and armaments on the Continent of the internal defence forces and of the police belonging to the members of the Brussels Treaty Organisation shall be fixed by agreements made within this Or-

ganisation, taking into account the task for which they are intended and on the basis of existing levels and needs.
3. Arrangements to apply to SACEUR's forces:

(a) Forces placed under SACEUR on the Continent shall be deployed in accordance with NATO strategy.

(b) The location of such forces shall be determined by SACEUR after consultation and agreement with the national authorities concerned.

(c) Such forces shall not be redeployed on the Continent nor used operationally on the Continent without his

consent subject to appropriate political guidance from the North Atlantic Council.

(d) Forces placed under SACEUR on the Continent shall be integrated as far as possible consistent with military efficiency.

(e) Arrangements shall be made for the closer co-ordination of logistics by SACEUR.

(f) The level and effectiveness of forces placed under SACEUR on the Continent and the armaments, equipment, logistics and reserve formations of those forces on the Continent shall be inspected by SACEUR.

Treaty of Economic, Social and Cultural Collaboration and Collective Self-Defence¹

**BETWEEN GREAT BRITAIN AND NORTHERN IRELAND, BELGIUM,
FRANCE, LUXEMBOURG, AND THE NETHERLANDS**

Brussels, 17th March, 1948

His Royal Highness the Prince Regent of Belgium, the President of the French Republic, President of the French Union, Her Royal Highness the Grand Duchess of Luxembourg, Her Majesty the Queen of the Netherlands and His Majesty The King of Great Britain, Ireland and the British Dominions beyond the Seas,

Resolved

To reaffirm their faith in fundamental human rights, in the dignity and worth of the human person and in the other ideals proclaimed in the Charter of the United Nations;

To fortify and preserve the principles of democracy, personal freedom and political liberty, the constitutional traditions and the rule of law, which are their common heritage;

To strengthen, with these aims in view, the economic, social and cultural ties by which they are already united;

To co-operate loyally and to co-ordinate their efforts to create in Western Europe a firm basis for European economic recovery;

To afford assistance to each other, in accordance with the Charter of the United Nations, in maintaining international peace and security and in resisting any policy of aggression;

To take such steps as may be held to be necessary in the event of a renewal by Germany of a policy of aggression;

To associate progressively in the pursuance of these aims other States inspired by the same ideals and animated by the like determination;

Desiring for these purposes to conclude a treaty for collaboration in economic, social and cultural matters and for collective self-defence;

Have appointed as their Plenipotentiaries:

His Royal Highness the Prince Regent of Belgium
His Excellency Mr. Paul-Henri Spaak, Prime Minister,
Minister of Foreign Affairs, and

His Excellency Mr. Gaston Eyskens, Minister of Finance,

The President of the French Republic, President of the French Union

His Excellency Mr. Georges Bidault, Minister of Foreign Affairs, and

His Excellency Mr. Jean de Hauteclocque, Ambassador Extraordinary and Plenipotentiary of the French Republic in Brussels,

Her Royal Highness the Grand Duchess of Luxembourg

His Excellency Mr. Joseph Bech, Minister of Foreign Affairs, and

His Excellency Mr. Robert Als, Envoy Extraordinary and Minister Plenipotentiary of Luxembourg in Brussels,

Her Majesty the Queen of the Netherlands

His Excellency Baron C. G. W. H. van Boetzelaer van Oosterhout, Minister of Foreign Affairs, and

His Excellency Baron Binnert Philip van Harinxma thoe Slooten, Ambassador Extraordinary and Plenipotentiary of the Netherlands in Brussels,

His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas for the United Kingdom of Great Britain and Northern Ireland

¹ Reprinted from BULLETIN of May 9, 1948.

The Right Honourable Ernest Bevin, Member of Parliament, Principal Secretary of State for Foreign Affairs, and

His Excellency Sir George William Rendel, K. C. M. G., Ambassador Extraordinary and Plenipotentiary of His Britannic Majesty in Brussels,

who, having exhibited their full powers found in good and due form, have agreed as follows:

ARTICLE I

Convinced of the close community of their interests and of the necessity of uniting in order to promote the economic recovery of Europe, the High Contracting Parties will so organize and coordinate their economic activities as to produce the best possible results, by the elimination of conflict in their economic policies, the co-ordination of production and the development of commercial exchanges.

The co-operation provided for in the preceding paragraph, which will be effected through the Consultative Council referred to in Article VII as well as through other bodies, shall not involve any duplication of, or prejudice to, the work of other economic organizations in which the High Contracting Parties are or may be represented but shall on the contrary assist the work of those organizations.

ARTICLE II

The High Contracting Parties will make every effort in common, both by direct consultation and in specialized agencies, to promote the attainment of a higher standard of living by their peoples and to develop on corresponding lines the social and other related services of their countries.

The High Contracting Parties will consult with the object of achieving the earliest possible application of recommendations of immediate practical interest, relating to social matters, adopted with their approval in the specialized agencies.

They will endeavour to conclude as soon as possible conventions with each other in the sphere of social security.

ARTICLE III

The High Contracting Parties will make every effort in common to lead their peoples towards a better understanding of the principles which form the basis of their common civilization and to promote cultural exchanges by conventions between themselves or by other means.

ARTICLE IV

If any of the High Contracting Parties should be the object of an armed attack in Europe, the other High Contracting Parties will, in accordance with the provisions of Article 51 of the Charter of the United Nations, afford the party so attacked all the military and other aid and assistance in their power.

ARTICLE V

All measures taken as a result of the preceding Article shall be immediately reported to the Security Council.

They shall be terminated as soon as the Security Council has taken the measures necessary to maintain or restore international peace and security.

The present Treaty does not prejudice in any way the obligations of the High Contracting Parties under the provisions of the Charter of the United Nations. It shall not be interpreted as affecting in any way the authority and responsibility of the Security Council under the Charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security.

ARTICLE VI

The High Contracting Parties declare, each so far as he is concerned, that none of the international engagements now in force between him and any other of the High Contracting Parties or any third State is in conflict with the provisions of the present Treaty.

None of the High Contracting Parties will conclude any alliance or participate in any coalition directed against any other of the High Contracting Parties.

ARTICLE VII

For the purpose of consulting together on all the questions dealt with in the present Treaty, the High Contracting Parties will create a Consultative Council, which shall be so organized as to be able to exercise its functions continuously. The Council shall meet at such times as it shall deem fit.

At the request of any of the High Contracting Parties, the Council shall be immediately convened in order to permit the High Contracting Parties to consult with regard to any situation which may constitute a threat to peace, in whatever area this threat should arise; with regard to the attitude to be adopted and the steps to be taken in case of a renewal by Germany of an aggressive policy; or with regard to any situation constituting a danger to economic stability.

ARTICLE VIII

In pursuance of their determination to settle disputes only by peaceful means, the High Contracting Parties will apply to disputes between themselves the following provisions:

The High Contracting Parties will, while the present Treaty remains in force, settle all disputes falling within the scope of Article 36, paragraph 2, of the Statute of the International Court of Justice by referring them to the Court, subject only, in the case of each of them, to any reservation already made by that Party when accepting this clause for compulsory jurisdiction to the extent that that Party may maintain the reservation.

In addition, the High Contracting Parties will submit to conciliation all disputes outside the scope of Article 36, paragraph 2, of the Statute of the International Court of Justice.

In the case of a mixed dispute involving both questions for which conciliation is appropriate and other questions for which judicial settlement is appropriate, any Party to the dispute shall have the right to insist that the judicial settlement of the legal questions shall precede conciliation.

The preceding provisions of this Article in no way affect the application of relevant provisions or agreements prescribing some other method of pacific settlement.

ARTICLE IX

The High Contracting Parties may, by agreement, invite any other State to accede to the present Treaty on conditions to be agreed between them and the State so invited.

Any State so invited may become a Party to the Treaty by depositing an instrument of accession with the Belgian Government.

The Belgian Government will inform each of the High Contracting Parties of the deposit of each instrument of accession.

ARTICLE X

The present Treaty shall be ratified and the instruments of ratification shall be deposited as soon as possible with the Belgian Government.

It shall enter into force on the date of the deposit of the last instrument of ratification and shall thereafter remain in force for fifty years.

After the expiry of the period of fifty years, each of the High Contracting Parties shall have the right to cease to be a Party thereto provided that he shall have previously given one year's notice of denunciation to the Belgian Government.

The Belgian Government shall inform the Governments of the other High Contracting Parties of the deposit of each instrument of ratification and of each notice of denunciation.

In witness whereof, the above-mentioned Plenipotentiaries have signed the present Treaty and have affixed thereto their seals.

Done at Brussels, this seventeenth day of March 1948, in English and French, each text being equally authentic, in a single copy which shall remain deposited in the archives of the Belgian Government and of which certified copies shall be transmitted by that Government to each of the other signatories.

For Belgium:

(L. S.) P. H. SPAAK.

(L. S.) GASTON EYSKENS.

For France:

(L. S.) G. BIDAULT.

(L. S.) J. DE HAUTECLOCQUE.

For Luxembourg:

(L. S.) JOSEPH BECH.

(L. S.) ROBERT ALS.

For the Netherlands:

(L. S.) W. VAN BOETZELAER.

(L. S.) VAN HARINXMA THOE SLOOTEN.

For the United Kingdom of Great Britain and Northern Ireland:

(L. S.) ERNEST BEVIN.

(L. S.) GEORGE RENDEL.

Understanding U.S. Foreign Policy

Statement by Under Secretary Smith¹

For some years I have been looking forward to leading what you might call a normal existence. But now that the time for my actual retirement from Government service has come, I realize how much I am going to miss it.

Aside from the satisfaction one gets from trying to do something for our country, there are the personal human relationships. During more years of service than I like to say—in the Army, in the Intelligence Service, as an Ambassador in the field, and, finally, in the Department of State—I have worked with the very splendid people in all of those services. And I must take this opportunity to pay tribute to the dedicated and devoted men and women who are serving the Government in and out of uniform. At the same time, I wish that more of our young people who are about to enter active life could realize the richness of experience and the satisfaction that comes with such service. I feel so strongly about this that I have told the President and Secretary Dulles that even though I am retiring to private life I am myself ready to assist at any time and in any way I can.

These are difficult days for our country and for the whole free world even though we are having and will have our diplomatic victories. I know myself that the best planning and the best execution of planning cannot attain really good or really definite results without the understanding and support of the American people generally. And so my parting thought and indeed my appeal to each of you who hears me is this:

Take a real interest in what the Department of State is doing to safeguard the ideals of America and its security throughout the world.

Think seriously and sympathetically about the problems it faces in its unending task of working for peace and security for ourselves and for mankind generally.

If you can, take an active part in groups and associations dedicated to the achievement of these goals.

And finally and most important of all, try to realize that some of the most important successes

¹ Made on Oct. 1 (press release 545) on the eve of his retirement.

in the conduct of foreign policy are those that can't be talked about.

The President and his Secretary of State, who are charged with the direction of our foreign policy—I should say our nonpartisan foreign policy, because basically it is nonpartisan—are tire-

less in their efforts to make of this world a better place to live in freedom, in security, and with an ever-expanding opportunity for constructive and rewarding work. They and the career services which assist them deserve all you can give them in the way of understanding and of support.

The American Memorial Library—A Monument to the Spirit of Berlin

by James B. Conant

*U. S. High Commissioner for Germany*¹

When, 2 years ago, I came to Berlin for the first time after the war, the conferences I had there included a number of meetings with businessmen and trade-union leaders. At those meetings it was time and again pointed out to me how much the strength of Berlin depended on its economic rehabilitation. "Berlin needs orders," was what everyone kept telling me. Today we may state with some satisfaction that, despite the continuous influx of refugees from the East, economic conditions in Berlin are steadily improving and the number of unemployed is today smaller than it has been since the war.

When I asked what contribution the free world could make toward further reinforcing Free Berlin to enable it to fulfill its unique task, I received a somewhat different reply. I was told that Berlin should also be promoted as a cultural center. The building which we are dedicating today is a symbol of our joint efforts in that field. We all know that we must not direct our attention exclusively to material things, and that the existence of Berlin as an outpost of the free world is guaranteed not only by a sound economy but above all by a prospering cultural life. We all are looking forward with confidence to the day when Berlin will resume its proper position and

again become the capital of a Germany reunited in peace and freedom. Until that day it will remain the duty of the free world, especially of the Federal Republic and the three protecting powers which are present here, to do everything to reinforce and support Berlin as a symbol of liberty. This applies not only to the economic and military spheres but also to the intellectual sphere.

This library, which is located so close to the sector border, reminds us how important it is, at this time of difficulties and tensions, to remember the great cultural values of our free Western culture in a divided world. This library is intended to show the importance of Berlin as one of the great intellectual centers of resistance against slavery.

Cultural Tradition of Berlin

At the same time, this library is intended to continue the great cultural tradition of this city, which has for centuries played a prominent part in the intellectual life of Germany. In the 18th century King Frederick I of Prussia tried to make Berlin the Athens of the North. The Charlottenburg Castle was built as a "little Versailles" for Queen Sophie Charlotte. Gottfried Leibniz headed the Prussian Academy. At the beginning of the 18th century Johann Joachim Winckelmann, the man who made a decisive contribution toward the understanding of Greek culture, was

¹ Translation of an address made at the opening ceremonies for the American Memorial Library at Berlin on Sept. 17 (Hicoq press release).

a student of a local gymnasium. Later on Frederick the Great tried to have Kant, the great philosopher, come to Berlin, and when during a cabinet meeting he received word that Johann Sebastian Bach had come to Berlin for a visit, he said to his ministers: "Let us interrupt our meeting and see whether we can make old Bach play for us."

I would like to recall to your mind the cultural life of Berlin in the 19th century, when the famous Friedrich-Wilhelm University was founded and Wilhelm von Humboldt was Prussian Minister of Education. His famous brother, Alexander von Humboldt, the scientist and explorer, is also not forgotten.

And who could forget the names of those who helped shape the cultural and intellectual life of Berlin in this century: Friedrich Meinecke, the historian; Karl Justi, the expert on the history of art; Alfred Kerr, the art critic; the great Max Liebermann; Else Lasker-Schuler, the poetess; and Kurt Tucholsky, just to name a few.

But these impressive cultural achievements of Berlin in the past should not lead us to forget the present. All those who come to Berlin are surprised to see that the cultural life of Berlin is so vigorous despite all this city went through, despite all the distress and restrictions which result from its island position. No other German city has so many theaters, opera houses, universities, libraries, etc. No other German city has attracted since the war so many artists from all over the world as has Berlin on the occasion of its Festival Weeks. The Free University of Berlin was founded despite, or even as a result, of the blockade. The Berlin Philharmonic Orchestra is one of the most famous orchestras in the world. The compositions of Boris Blacher, director of the Berlin conservatory, have become known in countless other countries; his newest composition was recently played for the first time in America. His predecessor, Werner Egk, is equally responsible for Berlin's reputation as a city of music.

Most of the schools of Berlin have been reconstructed and offer thousands of refugee children an education in an atmosphere of freedom. The Technical University has steadily gained in importance and its reconstruction is making good progress. The students and professors of the Free University are doing pioneer work in developing new methods of education. The School for Ped-

gogics, the School of Fine Arts, and the School of Political Science are in every respect the equals of similar institutions in the Federal Republic. Finally, within the framework of this understandably incomplete enumeration, I would like to refer to the reconstruction of a large part of the Berlin Art Library. It would be futile to try to name all those who contributed toward the cultural resurgence of Berlin; however, the Senator for Public Education, Professor Dr. Tiburtius, and his predecessor, the late Stadtrat May, must not go without mention.

Origin of Library Plan

Today we are dedicating a library which, we hope, will take its place among the great cultural institutions of Berlin. It has been named the American Memorial Library. To whose memory is it dedicated? Let me briefly recall the history of the plan to build this library. When in 1951 certain American funds were made available to the Berlin aid program, it was suggested that these funds should be used above all for projects of cultural importance. Thus, shortly after the blockade had been successfully ended, it was decided to use a part of those American funds for constructing a monument recalling German-American cooperation in those difficult times.

The United States was not at all interested in erecting a monument to itself in Berlin, a monument perhaps in the form of a huge eagle—the heraldic emblem of the United States—or some other colossal sculpture. What we envisaged was a monument to remind coming generations of the time when the fate of this city was the major concern of all nations of the free world, of the time when Americans could work and fight together with the brave Berliners to break the ring of slavery which threatened to strangle the city. We intended to create a monument of permanent value, not so much in the material sense, but a monument to the spirit this city displayed in those days of extreme crisis. A German-American Committee was set up to determine the most appropriate use to be made of these funds. That Committee consisted of representatives of the city council, of industry, the trade unions, and of education. I am especially pleased that it chose a library.

The unnatural division of the city was responsible for the insufficient number of libraries avail-

able to Berliners. Naturally, East Berlin has its libraries too, but everyone knows that the reader there is limited in his intellectual fare solely to that provided by a single totalitarian regime.

The difference between Communist libraries and the libraries of the free West is the difference between a culture based on the totalitarian principle of authority and a culture based on the principle of freedom. As long as the East-West tension exists, as long as the world remains divided not only politically and economically but, above all, in the cultural sphere, so long will this library, located within sight of the East, be a symbol of the superiority of freedom of thought over the spirit of slavery. I recall the words of your unforgettable Mayor Reuter which were enclosed in the cornerstone of this American Memorial Library:

Founded at a time when the people of Berlin in the free part of their city defended their right to freedom and independence steadfastly and imperturbably, despite severe afflictions, this building will remind the living and coming generations of the unconquerable forces of the free spirit and moral duty.

This library in which we have gathered has not been built according to traditional architectural plans. Certain experiences we have had in America with the adaptation of the library system to the requirements of our times have been taken into account. We certainly do not pretend to teach Europe a lesson on how to run a library. What we have done in planning this type of library is to adapt European tradition, which is much older than ours in the United States, to present-day American conditions, which, I believe, also exist to a large extent in Europe.

Link With America

Incidentally, European and American ideas concerning libraries were first brought together a hundred years ago, when the first public library of the United States was opened in Boston in 1854. The *spiritus rector* of that library was George Ticknor, of Harvard University, the University with which I myself had the honor of being affiliated for so many years. Ticknor had traveled in Germany, and it was the high level of German public libraries which particularly impressed him during a protracted sojourn in this country. So he tried to achieve a similarly high standard for the future American libraries. When the plans

Message From Secretary Dulles¹

You are about to dedicate the American Memorial Library, a monument raised in honor of the men who helped to keep freedom alive in Berlin. By doing so they helped to make it possible for your countrymen in the surrounding Soviet Zone to hold steadfast to the spirit of that Western civilization and Christian culture which binds us all together.

The Soviet refusal to permit the reunification of Germany brings with it the danger that Communist ideas will find acceptance among the people of the Soviet Zone because they are the only ideas reaching them.

No weapon against such a danger could be more effective than a great library. Moreover, I am confident that when, by unceasing efforts, a reunified Germany shall have been achieved, this library will serve as a source of strength for the spiritual life of a great unified nation.

¹ Delivered by Ambassador Conant to Mayor Walther Schreiber of Berlin on Sept. 17.

for the public library in Boston were being prepared, a conflict developed between Ticknor and the then president of Harvard, Dr. Edward Everett. Everett insisted on libraries being exclusively places of research work. Ticknor, on the other hand, envisaged the inclusion of popular literature, access to the stacks, and, in short, an appeal to the public at large. Fortunately the ideas of Ticknor prevailed and the Boston Public Library, the first of its type in America, became the predecessor of thousands of similar institutions which served the scientist as well as the simple citizen and student. As a boy I spent many hours in the Boston Public Library, and the way to go there was never too long for me.

Just as a hundred years ago Ticknor took home German ideas to America, ideas which decisively influenced the American library system, thus some of his ideas have returned today to the country where they originated.

The library which we are opening today is dedicated to the principle of service to the public at large. It applies to all strata of the population, to the laborer as well as to the scientist, to the specialist as well as to the juvenile for whom it establishes a first contact with the cultural inheritance of our civilization. In addition to serving as a remembrance of German-American cooperation at a time when this city gave proof of its will to freedom, this American Memorial Library will

serve that spirit which is best expressed by the words of Jefferson which are inscribed at the entrance to this library:

This Institution will be based on the illimitable freedom of the human mind. For here we are not afraid to follow truth wherever it may lead, nor to tolerate error so long as reason is left free to combat it.

The present ideological differences between the free world and the world of slavery cannot be characterized more clearly. The actuality of the statement made by Jefferson shows that his words are just as valid today as they were more than 150 years ago. And they will remain valid in the future. Let us face the future in that spirit of confidence which marks the words of Jefferson. Having that confidence we can rest assured that the day will come in which present differences between the East and the West in Germany will be eliminated, in which the traces of temporary partition will have disappeared in a Germany reunited in freedom.

In dedicating this library, we honor the past and face the future with confidence.

U.S.-French Talks on Indochina

Press release 542 dated September 29

Following is the text of the communique based upon the exchange of views September 27-29, 1954, between Acting Secretary Smith, M. Guy La-Chambre, French Minister of State for Relations with the Three Associated States, and M. Edgar Faure, Finance Minister of France.

Representatives of the two Governments have had very frank and useful talks which have shown the community of their views, and are in full agreement on the objectives to be attained.

The conclusion of the Southeast Asia Collective Defense Treaty in Manila on September 8, 1954, has provided a firmer basis than heretofore to assist the free nations of Asia in developing and maintaining their independence and security. The representatives of France and the United States wish to reaffirm the support of their Governments for the principles of self-government,

independence, justice and liberty proclaimed by the Pacific Charter in Manila on September 8, 1954.

The representatives of France and the United States reaffirm the intention of their governments to support the complete independence of Cambodia, Laos, and Viet-Nam. Both France and the United States will continue to assist Cambodia, Laos, and Viet-Nam in their efforts to safeguard their freedom and independence and to advance the welfare of their peoples. In this spirit France and the United States are assisting the Government of Viet-Nam in the resettlement of the Vietnamese who have of their own free will moved to free Viet-Nam and who already number some 300,000.

In order to contribute to the security of the area pending the further development of national forces for this purpose, the representatives of France indicated that France is prepared to retain forces of its Expeditionary Corps, in agreement with the government concerned, within the limits permitted under the Geneva agreements and to an extent to be determined. The United States will consider the question of financial assistance for the Expeditionary Corps in these circumstances in addition to support for the forces of each of the three Associated States. These questions vitally affect each of the three Associated States and are being fully discussed with them.

The channel for French and United States economic aid, budgetary support, and other assistance to each of the Associated States will be direct to that state. The United States representatives will begin discussions soon with the respective governments of the Associated States regarding direct aid. The methods for efficient coordination of French and United States aid programs to each of the three Associated States are under consideration and will be developed in discussions with each of these states.

After the bilateral talks, the chiefs of diplomatic missions in Washington of Cambodia, Laos and Viet-Nam were invited to a final meeting to have an exchange of views and information on these matters. The representatives of all five countries are in complete agreement on the objectives of peace and freedom to be achieved in Indochina.

U. S. Relations With Latin America

by Merwin L. Bohan

*U.S. Representative on the Inter-American Economic and Social Council*¹

In these dark days of intercontinental rumor and alarm, it is all too easy to forget that what we so assiduously seek abroad—peace and understanding among nations—has already been sought and found in our own Western Hemisphere. Indeed, those of us who labor in the inter-American vineyard are sometimes afraid that the very fact that we have won our major objective in this area makes our people a little less conscious of the continued need to tend and nurture the solidarity that has come to characterize the relations of the 21 American Republics—a solidarity which in the political as in the economic field is of vital importance to the United States. All of which serves as explanation for my requesting your indulgence in allowing me to spend a few minutes in examining what Latin America is and what it represents in terms of our present and future scheme of things.

First as to what it is. It is a group of 20 sovereign Republics which occupy almost one-fifth of the world's land area. The countries comprising it range in size from Brazil, which is so big that it would take another Texas for the United States to equal it, down to little El Salvador, which would only make a good-sized western county. Differences in race are almost as notable. In some countries, such as Mexico, Guatemala, Peru, and Bolivia, Indian blood predominates; in others, such as Argentina and Uruguay, the population is almost exclusively of European origin. In still others, such as northeastern Brazil and in the coastal fringes of the Caribbean, considerable Negro blood is to be found.

In fact, I sometimes wonder if we do not do a disservice to understanding in talking so much about Latin America, for it has created in our minds a concept of oneness and sameness which the facts do not bear out. Strictly speaking, there is no such thing as Latin America, but rather 20 sovereign and quite individualistic peoples. Even among the 18 which once formed a part of the Spanish Empire and thus have a common tongue (Brazil speaks Portuguese; Haiti, French), the differences are clearly apparent to even the most superficial observer. This has been brought about in part by differences in racial background but mainly because economics has discouraged intercourse and communication between the countries of Latin America while encouraging it between each of those countries and Europe and the United States. In other words, each country—since the passing of such continental figures as Bolívar and San Martín—has worked out its destiny generally uninfluenced by its sister Latin American Republics, and each has reacted, in its own individualistic fashion, to the influences which have played upon it from abroad.

Those influences, down to the outbreak of World War I, were far stronger from Europe than from the United States. As late as the 1920's, drawing room French rather than counting house English was the language of polite society. Paris remained the center of the universe, and it was quite generally accepted that the United States was the land of crass materialism, home of the almighty dollar.

In the brief span of 30 years, all of this has changed. European influence has become more nostalgia than substance; the dynamic forces of today move along lines of longitude rather than of latitude.

¹ Address made before the combined service clubs at Madison, Wis., on Sept. 21 (press release 518).

Political Solidarity

How has all this come about? It would be quite natural—but also quite inaccurate—to seek the answer among the cataclysmic changes of World War II. That conflict merely magnified the effects of a directional shift which began even before World War I, accelerated during the 1920's, and became dynamic in the 1930's. The triumph—not of North American influence but of something much finer that had been distilled during the thirties—inter-American understanding—came at Rio de Janeiro in 1942 when, under the awful shadows of Pearl Harbor, the American Republics threw in their lot together. After 1942 it could be fairly said that political solidarity had been achieved in the Western Hemisphere.

During the war this solidarity was reflected in all fields. Latin American air bases played a vital role in the success of the North African campaign, radical increases were registered in the production of strategic materials throughout the hemisphere, and cooperative efforts effectively controlled enemy espionage and propaganda activities.

But even before the coming of peace, the fullness of that understanding was being challenged. Our wartime President had passed on; Sumner Welles, the statesman who had given substance and reality to the good-neighbor policy, had fallen from power; and United States interests, so closely focused on Latin America during the early years of the conflict, were now dispersed on a global basis.

It is not to be wondered that many of our friends and neighbors to the south misinterpreted our policies, especially in the field of economic aid for Europe and Asia, as indicating a cooling of our interest in them. The more thoughtful realized that the billions we were pouring into reconstruction of the war-devastated areas were proportionately as important to them as to us, perhaps more so since fully one-half of their foreign commerce was with the areas of the world in which United States aid was most heavily concentrated. But the *caboclos* of Brazil and the *rotos* of Chile no longer felt as close as they once did to their envied cousins in the fabulous land to the north.

The currents of our relations during the post-war years have ebbed and flowed—never regaining the fullness of understanding achieved in the early forties; never deteriorating to a point where

the gains of the late twenties and the 1930's were too seriously compromised, for a reciprocal appreciation of the interdependence of the countries of the New World has taken deep and permanent root in the consciousness of all Americans.

This state of things, favorable as it is if compared to the early years of the century, is not a good enough example of what the New World has to teach the Old in terms of understanding and cooperation among the nations. Sustained improvement in our relationships, in the opinion of many competent authorities, depends more on economic than on political factors. Those that hold this view point out that, once suspicion of the United States was laid to rest in the thirties, political understanding was comparatively easy since, revolutions and dictatorships notwithstanding, liberty and the dignity of man are basic concepts held in common by all 21 American Republics. In the economic field the problem is more complicated. There are few common denominators to bridge the gulfs that tend to separate countries of such dissimilar stages of development and levels of living.

Economic Approach

There is much to be said for the economic approach to better understanding. Latin America is in the throes of a far-reaching economic and social revolution. Everywhere government is alive to the demands for a better and a fuller life, and while many of the efforts to provide it have set in motion self-defeating inflationary pressures, the area as a whole has made giant strides in the last decade.

This progress, however, merely whets desire. Population growth is such that further advances in the standard of living require a progressively higher rate of economic development. To achieve that higher rate in turn requires an ever-growing volume of financial resources.

The domestic resources of the other American Republics have provided fully 90 percent of the financing of their economic development. The balance has come from foreign private investment and from public credit extended by the International Bank for Reconstruction and Development and our own Export-Import Bank. Domestic resources, in turn, have been drawn in large measure from the proceeds of exports. All of which explains the constant preoccupation of the other

American Republics with such problems as the prices of primary commodities, foreign markets for export products, and financial assistance in the economic development process.

You will recall that at the Tenth Inter-American Conference, held in Caracas, Venezuela, in March of this year, the United States did not feel that it was in a position to come to grips with the major economic problems of the other American Republics.² Indeed, the timing of the Caracas meeting, from the standpoint of the United States, was difficult, since several important aspects of our foreign economic policies were in the process of being defined. Dr. Milton Eisenhower's report and recommendations were under consideration in the various interested departments of our Government; the Randall Commission had just reported; and Senator Capehart's invaluable Latin American study had just been made public.

For these reasons, many of the countries attending the Inter-American Conference felt that a later meeting, devoted to economic problems, would be more fruitful of results. The United States concurred in this reasoning, and it was therefore agreed that there would be a meeting of ministers of finance and economy in Brazil in the fall of the present year. The definitive date for the meeting has since been set for November 22.

Preparation for Rio Meeting

The Executive establishment has been deeply concerned with the need for making the Conference a success, and the President, at the suggestion of the Secretary of State, named a sub-Cabinet committee shortly after the Caracas meeting to thoroughly review United States policies. This committee, under the chairmanship of Henry F. Holland, Assistant Secretary of State for Inter-American Affairs, has worked long and faithfully and has made every effort to develop sound positions with respect to the problems which will be brought up for discussion at Rio. As has already been indicated, those problems will mainly concern prices, markets, and financial cooperation. The Latin Americans want (1) United States assistance in assuring fair and equitable prices for their raw materials; (2) assurances of stable

tariffs and an expanding United States market for their products; and (3) financial and technical cooperation in their economic development.

There will undoubtedly be a different approach to these problems, however, than has been the case at previous conferences, where results were often judged by the quantitative production of resolutions and declarations couched in such generalized language as to satisfy the most diverse and even conflicting views. At Rio there is every reason to believe that specific proposals will be advanced to deal with each of the more important economic problems.

The most intensive preparations in the memory of old conference hands are being made. A special committee of the Inter-American Economic and Social Council, which is supervising the preparations, has met regularly twice a week since March, even during the worst of the Washington summer, which is, as many of you know, as tough a test of sincerity of purpose as can be devised. The staff of the Pan American Union has produced an impressive series of background reports, while the Economic Commission for Latin America, under the leadership of Dr. Paul Prebisch and aided by a panel of Latin America's outstanding economists, has been hard at work in developing material for the Conference. All of this in addition to individual country preparations, such as these I have already described in the case of the United States.

There is no need for any particular crystal ball to forecast some of the Latin American proposals which will be introduced at Rio. Among them the following merit mention:

1. Consultation in connection with the disposal of agricultural surpluses;
2. Consideration of possible measures to stabilize prices of primary products including the use of stockpiles to avoid extreme fluctuations in the prices of strategic and other mineral products;
3. Reduction of U.S. tariffs and avoidance of restrictions on the importation of Latin American products;
4. Consideration of special treatment with respect to trade for underdeveloped countries in order to encourage economic development;
5. Utilization by the United States of income taxes collected on the operations of U.S. firms in Latin America to promote economic development in that area;

² For a report on the Conference, see BULLETIN of Apr. 26, 1954, p. 634.

6. Establishment of a regional development institution to provide loan and equity capital for private enterprise;

7. Increased credit facilities for Latin America by the International and Export-Import Banks;

8. The setting up of target amounts for yearly public and private investment, with public investment making good any deficit in the quota of private investment.

The foregoing are by no means all the questions that will be raised. The point to be kept in mind, however, is that specific solutions rather than general pronouncements will be sought at Rio.

It is clear that we cannot wholly satisfy all these aspirations. In the case of prices, we have a mutual interest in satisfactory price relationships since this means prosperity for all concerned, but we certainly do not have the resources to enter into any global price-parity formulas or plans involving vast financial commitments. We can assist in efforts to diversify the economies of the Latin American countries, thus lessening dependence on one or a few export products, and possibly take other measures to mitigate the effects of price fluctuations. However, the best assurance we can offer of relative stability and "fairness" of price is to maintain the high level of United States economic activity which is the major factor in raw-material demand.

In the field of commercial policy, our record with respect to Latin American products is a reassuring one. Approximately four-fifths of our imports from Latin America are on the free list and therefore not subject to duty, while the average rate on the balance is generally quite low, somewhat under 10 percent ad valorem. In addition, during the past 20 years the United States has probably done more than any major trading country of the world to reduce its tariffs.

There are other strong points in our position. We are prepared at Rio to again reaffirm our deep and abiding interest in the economic development of our neighbors and our willingness to cooperate with them in that field; we are prepared to improve and expand our programs of technical cooperation; and to reassure them as to the availability of sufficient public foreign credit resources to meet new, foreseeable needs for the financing of sound projects for which private capital is not readily available and whose financing is within

the debt-carrying capacity of the borrowing country.

Continued consideration is being given in Washington to the policies the United States will follow at Rio, and this is fortunate, since 7 weeks still remain in which positive and constructive decisions may be taken—a process which, I would like to emphasize, does not, in the case of Latin America, necessarily imply any demands on the pocketbook of the American taxpayer. The other American Republics are not seeking grants in aid but cooperation of a kind that is mutually profitable to all the parties to it. The sound extension of credit is not only a profitable course for debtor and creditor alike but builds up consuming areas which, in turn, mean greater markets for American products. Our foreign trade with Latin America has grown from 1.7 billion dollars in 1938 to 6.9 billion in 1952, thus making it the principal foreign trade area for the United States. It accounts for between one-fifth and one-fourth of our exports and supplies approximately a third of our imports. Further, more private United States investments are concentrated in Latin America than in any other region of the world, the total value of such investments now exceeding 6 billion dollars.

I would like to conclude with the following brief but eloquent quotation from Dr. Milton Eisenhower's report to the President on United States-Latin American relations:

There is no doubt in my mind about the future of Latin America. Her people are on the march. They are determined to improve their standards of living. They have the resources and the manpower to do so.

Latin America is destined to be an economically powerful area of the globe. While it will always have economic relations with Europe and other parts of the world, its firmest and most extensive relations can and should be with the United States.

In the long view, economic cooperation, extended to help the people of Latin America raise their level of well-being and further their democratic aspirations, will redound to their benefit and to ours.

Working together, the nations of this Hemisphere can, if history should so decree, stand firmly against any enemy in war, and prosper mightily together in times of peace.

Visit of President Magloire

White House press release dated September 21

The White House announced on September 21 that President Eisenhower has invited President Paul Magloire of the Republic of Haiti to make

a state visit to the United States. President Magloire has accepted this invitation and is expected to arrive in the United States on January 26, 1955. It is anticipated that President Magloire will remain in Washington for 3 days. He will be accompanied by Mrs. Magloire.

The visit is a further demonstration of the cordial relations and historic friendship between the United States and the Republic of Haiti. President Magloire was elected in 1950 for a term ending in 1957.

U.S., Canada Agree on Need for Distant Early Warning Line¹

On April 8, 1954, the Governments of Canada and the United States issued a joint announcement, which, after referring to the construction of the Pinetree radar chain, announced plans for the establishment of a further radar system "generally to the north of the settled territory in Canada."² The Canadian Government subsequently decided that it would be appropriate, as a part of its contribution to the common defense requirements of the two countries, for Canada to undertake responsibility for financing, constructing, and operating this new system, which is generally referred to as the "Mid-Canada Line."

During the time that plans for the Mid-Canada Line have been under development, studies have also been going on to determine the feasibility of providing even earlier warning of the approach of hostile aircraft.

As a result of these studies, the Canadian and United States Governments have agreed in principle that there is a need for the establishment of a distant early warning line across the far northern part of North America and have directed that detailed planning for such a line should be initiated at once. The basis of participation by the two countries in the construction and operation of the line, and the division of costs, will be determined after the detailed plans have been considered and agreed.

In developing the complete system for warning

of the approach of hostile aircraft and for the control of interceptor forces, the two Governments have followed a policy of building outward from the likely target areas. Thus the first step, which has now been largely completed, was the construction of the main control and warning radar installations in the continental United States and the populated part of Canada. The second step, which is now under way, is the provision of the Mid-Canada Line. A third measure, the need for which has now been agreed upon between the two Governments, will be the provision of a distant early warning line across the most northerly practicable part of North America. Portions of the complete warning and control system in Canada will be extended to seaward on both flanks of the continent by the United States.

The establishment of these North American defense installations is a costly and difficult task, which is being undertaken because our security requires it and is being accomplished successfully because of the readiness of Canadians and Americans to work together in a common cause.

Bill To Control Level of Lake Michigan Vetoed

Statement by the President

White House Office press release dated September 3

I have withheld my approval of H.R. 3300, "To authorize the State of Illinois and the Sanitary District of Chicago, under the direction of the Secretary of the Army, to help control the lake level of Lake Michigan by diverting water from Lake Michigan into the Illinois waterway."

The bill would authorize the State of Illinois and the Sanitary District of Chicago, under the supervision and direction of the Secretary of the Army, to withdraw from Lake Michigan, in addition to all domestic pumpage, a total annual average of 2,500 cubic feet of water per second into the Illinois waterway for a period of 3 years. This diversion would be 1,000 cubic feet per second more than is presently permitted under a decree of the Supreme Court of the United States dated April 21, 1930. The bill also would direct the Secretary of the Army to study the effect in the improvement in conditions in the Illinois waterway

¹ Released to the press by the Department of Defense on Sept. 27; released simultaneously by the Canadian Government.

² BULLETIN of Apr. 26, 1954, p. 639.

by reason of the increased diversion, and to report to the Congress as to the results of the study on or before January 31, 1957, with his recommendations as to continuance of the increased diversion authorized.

The bill specifies that the diversion would be authorized in order to regulate and promote commerce, to protect, improve, and promote navigation in the Illinois waterway and Mississippi Valley, to help control the lake level, to afford protection to property and shores along the Great Lakes, and to provide for a navigable Illinois waterway. No mention is made of possible improvement of sanitary conditions or increase in hydroelectric power generation on the waterway.

I am unable to approve the bill because (1) existing diversions are adequate for navigation on the Illinois waterway and Mississippi River, (2) all methods of control of lake levels and protection of property on the Great Lakes should be considered before arbitrarily proceeding with the proposed increased diversion, (3) the diversions are authorized without reference to negotiations with Canada, and (4) the legitimate interests of other States affected by the diversion may be adversely affected. I wish to comment briefly on each of these points.

I understand that waterborne traffic on the Illinois waterway has grown in the last 20 years from 200,000 tons to 16,000,000 tons annually. The Corps of Engineers advises, however, that the existing diversions of water are adequate for navigation purposes in the Illinois waterway and the Mississippi River. Surveys are now under way by the International Joint Commission and the Corps of Engineers to determine the best methods of obtaining improved control of the levels of the Great Lakes and of preventing recurrence of damage along their shores. Reasonable opportunity to complete these surveys should be afforded before legislative action is undertaken.

The diversion of waters into and out of the Great Lakes has historically been the subject of negotiations with Canada. To proceed unilaterally in the manner proposed in H.R. 3300 is not wise policy. It would be the kind of action to which we would object if taken by one of our neighbors. The Canadian Government protested the proposed authorization when it was under consideration by the Congress and has continued its objection to this bill in a note to the Department

of State dated August 24, 1954.¹ It seems to me that the additional diversion is not of such national importance as to justify action without regard to the views of Canada.

Finally, as is clear from the report of the Senate Committee, a major purpose of the proposal to divert additional water from Lake Michigan into the Illinois waterway is to determine whether the increased flow will improve existing adverse sanitation conditions. The waters of Lake Michigan are interstate in character. It would seem to me that a diversion for the purposes of one State alone should be authorized only after general agreement has been reached among all the affected States. Officials of several States adjoining the Great Lakes, other than Illinois, have protested approval of the bill as being contrary to their interests and not in accord with the diversion authorized under the 1930 decree of the Supreme Court. Under all of these circumstances, I have felt that the bill should not be approved.

Austria Thanks U.S. for Gift of Fodder Corn

White House Office press release dated September 4

The White House on September 4 made public the following message to the President from Theodor Koerner, President of Austria.

Decision of United States Government to make 25,000 tons of fodder corn available for free distribution among Austrian flood victims² prompts me to express deep-felt thanks to you, Mr. President, in my own name and in the name of the Austrian people and at the same time to express admiration for the material generosity and high humanitarian spirit with which the American people and government constantly display their willingness to help the whole world. The gift of fodder corn not only represents quantitatively an extraordinary contribution for the relief of the emergency caused by the disastrous flood but will also contribute considerably toward overcoming as rapidly as possible production difficulties originating in the catastrophe.

¹ Not printed.

² BULLETIN of Oct. 4, 1954, p. 490.

Loss of Americans and Japanese in Hakodate Typhoon

Press release 540 dated September 28

Following is the text of a message from the Prime Minister of Japan to Secretary Dulles, together with Acting Secretary Smith's reply.

Prime Minister Yoshida to Secretary Dulles

SEPTEMBER 27, 1954

The Honorable JOHN FOSTER DULLES
Secretary of State.

On my arrival at Ottawa, I was greatly shocked to receive a report that some sixty United States' Forces members and dependents perished in the sinking of the *Toyamaru* at Hakodate last Sunday [September 26]. I lament the loss of so many American lives and hasten to express to you my sincere condolences.

SHIGERU YOSHIDA
Prime Minister of Japan

General Smith to Prime Minister Yoshida

SEPTEMBER 28, 1954

His Excellency SHIGERU YOSHIDA
Prime Minister of Japan
Through the American Embassy,
Ottawa.

I wish to thank you for your message to Secretary Dulles regarding the loss of American lives in the Hakodate typhoon. The people of the United States share the deep sense of tragedy felt by you and the Japanese people at this unparalleled disaster. Your thoughtfulness is greatly appreciated.

WALTER BEDELL SMITH
Acting Secretary of State

Negotiations on Revision of Philippine Trade Agreement

Press release 539 dated September 28

DEPARTMENT STATEMENT

The U. S. delegation for the Philippine trade negotiations issued formal notice on September 28 that it would hold hearings beginning at 10 a. m., November 1, 1954, in Washington, at the Tariff Commission hearing room, with respect to possible

modification of the 1946 Agreement on Trade and Related Matters between the two countries. A preliminary announcement of these hearings was made by the Department of State on August 11, 1954.¹

The notice of the delegation states that applications for oral presentation of views and information, as well as written briefs or statements, must be presented to the delegation not later than 12 noon, October 22, and that only those persons will be heard who by that date have presented written briefs or statements and filed applications to be heard. The notice points out that the negotiations will cover all aspects of the 1946 agreement, and particularly the provisions regarding tariff preferences (article I), commodity quotas and their allocation (articles II and III), exchange rates and controls (article V), national treatment for Americans in the development of Philippine natural resources (article VII), and nondiscrimination and termination (article X).

Twelve copies of the written briefs or statements are to be supplied to the delegation, either typed, printed, or duplicated. One copy should be sworn to. These communications should be addressed to "The Chairman, United States Delegation for Philippine Trade Negotiations, Department of State, Washington 25, D. C."

NOTICE OF HEARINGS

Notice is hereby given by the United States Delegation for Philippine Trade Negotiations of intention to conduct negotiations with the Republic of the Philippines for the purpose of revising, subject to the approval of the Congresses of the two countries, the Agreement on Trade and Related Matters entered into between the United States and the Philippines on July 4, 1946 pursuant to Public Law 371 of the 79th U.S. Congress ("Philippine Trade Act of 1946"). A continuation through December 31, 1955 of the reciprocal free trade provisions of the Agreement was recently approved by the two Congresses (Public Law 474 of the 83rd U.S. Congress) to permit time for the consultations and negotiations to which this notice refers.

The negotiations will cover all aspects of the 1946 Agreement and particularly the provisions regarding tariff preferences (Article I), commodity quotas and their allocation (Articles II and III), exchange rates and controls (Article V), national treatment for Americans in the development of Philippine natural resources (Article VII), and nondiscrimination and termination (Article X).

Any persons who have views or information which they wish to present to the Delegation with respect to possible

¹ BULLETIN of Aug. 23, 1954, p. 264.

modification of the 1946 Agreement in these or other respects are invited to do so in the public hearings which will be held before the Delegation beginning at 10:00 a. m., November 1, 1954. The Delegation will also receive information and views in writing. Presentations will be given equal consideration, whether written or oral. Anything which is confidential should be so labeled on the cover sheet and separated from nonconfidential material.

Applications for oral presentation, and the submission of written statements or briefs, must be made to the Delegation not later than 12:00 noon, October 22. All such communications should be addressed to "The Chairman, United States Delegation for Philippine Trade Negotiations, Department of State, Washington, 25, D. C." Twelve copies of written statements, either typed, printed or duplicated, shall be submitted, of which one copy should be sworn to.

Only those persons will be heard who have presented written briefs or statements and filed applications to be heard by the closing date indicated in the preceding paragraph. The hearings will be held in the Hearing Room of the Tariff Commission at 7th and F Streets, Washington, D. C. Applicants for oral presentation will be advised regarding the time of their individual appearance. Statements made at the public hearings shall be under oath.

By direction of the Chairman of the United States Delegation for Philippine Trade Negotiations this twenty-eighth day of September, 1954.

F. PATRICK KELLY
Executive Secretary
United States Delegation for
Philippine Trade Negotiations

Formal Opening of U.S.-Philippine Trade Talks

Press release 516 dated September 20

The following remarks were made by Walter S. Robertson, Assistant Secretary for Far Eastern Affairs, and Senator José P. Laurel, Chairman of the Philippine delegation, on the occasion of the formal opening of the U.S.-Philippine trade talks on September 20.

REMARKS BY ASSISTANT SECRETARY ROBERTSON

President Eisenhower has asked me to extend to you the warm greetings of the United States Government as well as his personal felicitations on this occasion signaling the opening of the discussions on the United States-Philippine Trade Agreement.

Secretary of State Dulles also extends his greetings and has asked me to convey to you his sincere

regrets at not being able to participate in this opening ceremony. As you know, he has just made a quick trip to Europe and will not be returning to Washington before proceeding to the United Nations General Assembly.

More than a year ago the President of the Philippines requested a re-examination and readjustment of the provisions of the 1946 Agreement on Trade and Related Matters Between the United States and the Republic of the Philippines. President Eisenhower replied at that time that the United States stood ready to give sympathetic consideration to any specific proposals which the Philippine Government might wish to advance.¹

We are now about to commence our discussions. I am confident that they will be frank and cordial and that the results will be fruitful and will represent the best interests of our two countries.

I think these discussions are another example of the close and friendly relations existing between us. This is a relationship of free and sovereign nations which sit down together and discuss frankly any differences in point of view and which are prepared to reach an understanding in a spirit of compromise and mutual trust.

Senator Laurel, it is indeed a pleasure and an honor to welcome such a distinguished visitor from your great Republic. We are well aware of your years of devoted public service and of the esteem in which you are held in your own country. I should like to convey to you my own country's high esteem and warm welcome.

REMARKS BY SENATOR LAUREL

In behalf of the Philippine Economic Mission, I acknowledge with profound appreciation the greetings of the President and the Secretary of State of the United States, which you have just conveyed to us.

We particularly cherish the personal felicitations from President Eisenhower, whose loyal and worthy services when we were still a Commonwealth have forged an indissoluble bond of mutual regard and affection between him and our people.

President Magsaysay has entrusted me with the pleasant task of expressing the gratitude of the Government and people of the Republic of the Philippines to the Government and people of the United States for their sympathetic attitude to-

¹ BULLETIN of Sept. 7, 1953, p. 316.

ward the revision of the 1946 Agreement on Trade and Related Matters. This attitude was manifested by the readiness with which President Eisenhower approved the holding of these negotiations and the speedy enactment by the Congress of a statute in effect extending for 18 months the free trade between our two countries in order to facilitate the successful re-examination of said trade agreement.

Secretary Robertson, I share your feeling of confidence that these discussions will be conducted in utmost candor and cordiality, which auger their felicitous conclusion. The Philippine delegation will participate in the discussions in a spirit befitting the free and friendly collaboration which exists between our two countries. I am sure we shall be able to reach a satisfactory agreement which will promote our common interests and mutual advantage.

Secretary Robertson, I am deeply touched by the kind words of welcome which you have addressed to me personally. There is no more gratifying experience for me than to be so warmly received in this great country since I last came here as a humble student 36 years ago.

Department Engages ANTA

Press release 541 dated September 29

The Department of State has engaged the American National Theatre and Academy to act as its agent for the purpose of encouraging and facilitating tours abroad by American individuals and groups in musical, theatrical, and other fields.

This project is an extension of the continuing exchange programs handled by the International Educational Exchange Service of the Department of State.

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

Protocol amending Article 45 of the Convention on International Civil Aviation (TIAS 1581), relating to the permanent seat of the International Civil Aviation Organization. Done at Montreal June 14, 1954. Enters

into force on date on which the forty-second instrument of ratification is deposited with ICAO.

Narcotic Drugs

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.¹

Ratified by the President: September 14, 1954.

Slave Trade

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953.²

Signature (ad referendum): Ecuador, September 7, 1954.

Telecommunications

International telecommunications convention. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954.²

Ratifications deposited: Yugoslavia, August 16, 1954; France and Algeria, and Overseas Territories of the French Republic and Territories administered as such,³ August 19, 1954.

Final protocol to the international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force January 1, 1954.³

Ratification deposited: Yugoslavia, August 16, 1954.

Additional protocols to the international telecommunication convention. Signed at Buenos Aires December 22, 1952. Entered into force December 22, 1952.

Ratification deposited: Yugoslavia, August 16, 1954.

Trade and Commerce

Declaration regulating the commercial relations between certain contracting parties to the General Agreement on Tariffs and Trade and Japan. Done at Geneva October 24, 1953. Entered into force November 23, 1953 for the United States. TIAS 2917.

Acceptance effective: Germany, September 2, 1954.

BILATERAL

Colombia

Agreement for a cooperative program of housing in Colombia, pursuant to the General Agreement for Technical Cooperation dated March 5 and 9, 1951 (TIAS 2231). Effected by exchange of notes at Bogotá June 24 and 30, 1954. Entered into force June 30, 1954.

¹ Not in force.

² Not in force for the United States.

³ These comprise: French Equatorial Africa (Gabon, Middle-Congo, Oubangui-Chari, Chad); French West Africa (Senegal, French Sudan, French Guinea, Ivory Coast, Niger, Haute-Volta, Dahomey, Mauretania); French Somaliland; French Settlements in India; French Settlements in Oceania; Madagascar and Dependencies; New Caledonia and Dependencies; Saint Pierre and Miquelon Islands; Territories under French Trusteeship (Cameroon, Togo).

Germany

Convention for the avoidance of double taxation with respect to taxes on income. Signed at Washington July 22, 1954.

Ratified by the President: September 22, 1954.

Guatemala

General agreement for technical cooperation. Signed at Guatemala City September 1, 1954. Entered into force September 1, 1954.

Peru

Agreement terminating the agreement of April 1 and 9, 1952 (TIAS 2723), as amended, providing for an agricultural experiment program in Peru. Effected by exchange of notes at Lima April 27 and May 11, 1954. Termination became effective May 18, 1954.

FOREIGN SERVICE

First Foreign Service Officers Under New Program Take Oath

Press release 543 dated September 30

The first group of Foreign Service officers to be appointed under the Secretary of State's integration program received their oath of office on September 30. The program calling for the integration of the Departmental and Foreign Service was one of the recommendations advanced by the Secretary's Public Committee on Personnel, headed by Henry M. Wriston.

Following are the names and home towns of the officers appointed:

Harlan P. Bramble, Portland, Oreg.
W. Clyde Dunn, Chapel Hill, N. C.
Richard B. Freund, Chicago, Ill.
Paul T. Meyer, East Orange, N. J.
Harry K. Baker, Chevy Chase, Md.
Douglas N. Batson, Poplarville, Miss.
James H. Boughton, Westport, Conn.
Louis Mason Drury, Chevy Chase, Md.
Tobias J. Boyd, Johnstown, Pa.
Delbert D. Mehaffy, Mediapolis, Iowa.
Joseph B. Tisinger III, Takoma Park, Md.
Betty-Jane Jones, Milwaukee, Wis.
Gloria E. Abiouness, Norfolk, Va.

Legation in Libya Elevated to Embassy

The United States announced on September 25 (press release 532) the elevation of its Legation in Libya to the status of an Embassy.

At the same time, the White House announced that the President has named John L. Tappin to be U.S. Ambassador to Libya. He succeeds Henry S. Villard, who has served as Minister of the United States to Libya

since February 1952 and who has recently been appointed Principal Political Adviser on Near Eastern and African Affairs to the U.S. delegation of the Ninth General Assembly of the United Nations.

Consular Offices

The consulate at Tananarive, Madagascar, was closed to the public on July 1, 1954, and officially closed on August 31, 1954.

Recess Appointments

The President on September 25 made the following recess appointments:

Robert F. Woodward to be Ambassador to Costa Rica.
Robert C. Hill to be Ambassador to El Salvador.

John L. Tappin to be Ambassador to the United Kingdom of Libya.

PUBLICATIONS

Foreign Relations Volume

Press release 511 dated September 16

The Department of State on September 25 released *Foreign Relations of the United States, 1937, Volume IV, The Far East*. Documents published in this volume deal chiefly with problems arising from the outbreak of undeclared war between China and Japan in July 1937, especially with efforts by the United States and other powers to restore peace. This is the second of two volumes dealing with the Far East crisis in 1937, *Foreign Relations of the United States, 1937, Volume III, The Far East*, having been released last June 26.¹

In 1937 China faced Japan, with the Soviet Union watching from the sidelines and discussing developments with other powers. Nine hundred pages of contemporary papers deal with not only efforts to end the undeclared war but also other phases of the war itself and repercussions affecting the United States.

A conference was called at Brussels under the terms of the Nine Power Treaty of February 6,

¹ BULLETIN of July 12, 1954, p. 73.

1922, regarding China, to explore the possibility of peaceful solution of the conflict between Japan and China. This conference forms the principal chapter in this second volume on the Far East in 1937. Chapters are also included on American relations with China, Japan, and Siam (Thailand).

As long ago as 1937 the role played by Soviet diplomacy and Communist intrigue in China was emerging.

Ambassador Nelson T. Johnson at Nanking cabled on January 12 that the Chinese military at Sianfu—where Generalissimo Chiang Kai-shek had been kidnapped a month before and released under mysterious circumstances—“had linked themselves closely with the Communists in a common purpose to fight the National Government” (p. 553). In the spring months Red propaganda agencies were discovered to be using “American ownership, real or simulated,” as protection against Chinese jurisdiction (pp. 692-94).

On May 12, however, Mr. Johnson mentioned “General Chiang Kai-shek’s reported willingness to come to a working agreement with the Communist forces in the northwest” (p. 597), and on June 25 Consul General C. E. Gauss, at Shanghai wrote (p. 688):

As the Department is aware from political reports from China, some sort of *rapprochement* has taken place between the Chinese Communists and the Kuomintang and Nanking Government.

Mr. Gauss noted further that “the activities and support of the Third Internationale (at Moscow) are being directed away from criticism and attack on the National Government of China toward the development of a ‘popular front’ of opposition to Japan.”

By November 3 Ambassador Johnson could report that official Chinese sources hoped for a Soviet-Japanese nonaggression pact similar to the Soviet-Chinese pact of August 21 (p. 151). The same sources argued that “communism internally is a domestic Chinese problem”—contrary to usual Japanese announcements.

President Roosevelt’s “quarantine” speech at Chicago on October 5 brought various reactions abroad. Ambassador Joseph E. Davies at Moscow sent telegrams on Soviet comment (pp. 87-8, 100-1, 119-20). Dated between October 18 and 29, these indicated press and official pleasure over the chance of United States exercising restraint upon

Japan. Soviet Foreign Commissar Litvinov declared that “the Soviet Union was prepared to take a strong position if it were in cooperation with the United States, France, and England” (p. 120).

On November 10 Ambassador William C. Bullitt at Paris cabled a report of an interview with French Premier Chautemps (pp. 172-4), in which the latter spoke as follows:

I understand how much the President may desire to do something today to preserve peace; but I should infinitely rather have him say nothing than make speeches, like his speech at Chicago, which aroused immense hopes when there is no possibility that in the state of American opinion and the state of mind of the Senate he can follow up such speeches by action. Such a policy on the part of the United States merely leads the dictatorships to believe that the democracies are full of words but are unwilling to back up their words by force, and force is the only thing that counts today in the world (p. 173).

On November 16 Japanese Embassy Counselor Suma told Assistant Secretary of State Hugh R. Wilson (pp. 194-6) what Japan thought of the situation: “the Chicago speech of the President and the association by the State Department of the United States with the action of the League (of Nations) had shaken Japan’s belief in our friendly attitude; nevertheless, the President had followed his Chicago speech by a fireside talk (October 12), which had done much to restore the friendly sentiments of the Japanese for us” (p. 194).

An interesting account of the relationship between American press representatives and delegates attending the Brussels Conference is given in a telegram on November 21 from Norman H. Davis, Chairman of the American delegation (pp. 221-4). As Mr. Davis noted, it was difficult to explain that the United States only intended “to seek with all the other powers at the Conference a peaceful solution of the conflict in the Far East” (p. 222).

Aside from discussions at Geneva and Brussels, the new volume contains chapters on protection of American rights in the area of the undeclared war, sinking by Chinese and Japanese action respectively of the liner *President Hoover* and the gunboat *Panay*, assistance of various kinds to China, representations to China on behalf of Americans, narcotic traffic in China, Japanese Army pressure on their government, representations to Japan in regard to oil, fisheries, and other

interests, Japan's ban on U.S. naval visits to the Pacific mandated islands, Japanese aid in search for the missing Amelia Earhart plane, and a new friendship treaty with Siam.

A final volume for 1937, that on the American Republics, will appear shortly.

Copies of this volume (IV, 911 pp.) may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for \$4 each.

Recent Releases

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Technical Cooperation—Jordan Program. TIAS 2819. Pub. 5238. 5 pp. 5¢.

Agreement between the United States and Jordan, amending agreement of February 12, 1952, as amended—Signed at Amman Apr. 7, 1953.

Mutual Aid Settlement—Release of Netherlands Obligations on Behalf of Indonesia Under Agreement of May 28, 1947. TIAS 2820. Pub. 5239. 5 pp. 5¢.

Agreement between the United States, the Netherlands, and Indonesia. Exchange of notes—Signed at The Hague Sept. 17 and Djakarta Oct. 15, 1952, and at Washington Apr. 8, 1953.

Technical Cooperation Program. TIAS 2821. Pub. 5240. 2 pp. 5¢.

Agreement between the United States and Lebanon, amending agreement of June 26, 1952—Signed at Beirut Apr. 14, 1953.

Air Transport Services—Nonassertion of Sovereign Immunity From Suit. TIAS 2828. Pub. 5248. 2 pp. 5¢.

Agreement between the United States and the Netherlands. Exchange of notes—Signed at Washington June 19, 1953.

Global Relations of the United States. Pub. 5536. General Foreign Policy Series 91. 12 pp. 10¢.

An article (Department of State BULLETIN reprint), with maps and illustrations, by S. Whittemore Boggs on the study of the spherical surface of the globe in relation to the comprehension and better understanding of many world problems and cultural relationships.

Intervention of International Communism in Guatemala. Pub. 5556. Inter-American Series 48. 95 pp. 35¢.

A description of the growth of international communism in Guatemala and its attempt to get a foothold in the Western Hemisphere by gaining control of the political institutions of an American Republic.

People to People—Diplomacy. Pub. 5492. International Information and Cultural Series 36. 29 pp. 20¢.

A report on the conduct of the International Educational Exchange Service in carrying out its program of leadership, as authorized by the Congress, in coordinating the exchange of foreign policy objectives of government and private agencies.

U.S. Participation in the U.N.—Report by the President to the Congress for the Year 1953. Pub. 5459. International Organization and Conference Series III, 100. 277 pp. 70¢.

An annual report, with tables and charts, on the important part the United States has played in the activities of the United Nations system and of its efforts to translate the terms and objectives of the charter into reality.

Technical Cooperation—Public Health and Sanitation Program. TIAS 2756. Pub. 5366. 4 pp. 5¢.

Agreement between the United States and Iraq. Effected by exchange of notes—Dated at Baghdad June 9 and July 27, 1952.

Technical Cooperation—Economic Development Program. TIAS 2757. Pub. 5367. 6 pp. 5¢.

Agreement between the United States and Iraq. Effected by exchange of notes—Dated at Baghdad October 23 and November 16, 1952.

Technical Cooperation—Water Resources Development Program. TIAS 2758. Pub. 5415. 5 pp. 5¢.

Agreement between the United States and Iraq. Effected by exchange of notes—Dated at Baghdad December 11, 1951, April 28 and May 21, 1952.

German External Debts. TIAS 2792. Pub. 5230. 355 pp. \$1.

Agreement, with annexes and appendices, between the United States and Other Governments—Signed at London February 27, 1953.

Settlement of United States Claim for Postwar Economic Assistance to Germany. TIAS 2795. Pub. 5286. 15 pp. 10¢.

Agreement between the United States and the Federal Republic of Germany—Signed at London February 27, 1953.

Technical Cooperation—Application to Eritrea of Program for Technical and Science Education. TIAS 2803. Pub. 5264. 2 pp. 5¢.

Agreement between the United States and Ethiopia. Effected by exchange of notes—Dated at Addis Ababa June 19 and 25, 1953.

Technical Cooperation—Application to Eritrea of Agricultural Education Program. TIAS 2805. Pub. 5266. 1 p. 5¢.

Agreement between the United States and Ethiopia—Signed at Addis Ababa June 25, 1953.

Technical Cooperation—Program of Agriculture. TIAS 2806. Pub. 5267. 5 pp. 5¢.

Agreement between the United States and Ethiopia. Effected by exchange of notes—Dated at Addis Ababa June 23 and 30, 1953.

Mutual Defense Assistance—United States Military Assistance Advisory Group to Saudi Arabia. TIAS 2812. Pub. 5227. 10 pp. 10¢.

Agreement between the United States and Saudi Arabia, implementing agreement of June 18, 1951. Effected by exchange of notes—Signed at Jidda June 27, 1953.

Air Transport Services. TIAS 2813. Pub. 5228. 29 pp. 15¢.

Agreement, with annex and exchange of notes between the United States and Venezuela—Signed at Caracas August 14, 1953.

Technical Cooperation—Well Drilling Under Program for Water Resources Development. TIAS 2814. Pub. 5261. 3 pp. 5¢.

Agreement between the United States and Ethiopia. Effected by exchange of notes—Dated at Addis Ababa June 27 and 30, 1953.

Economic Cooperation. TIAS 2816. Pub. 5235. 8 pp. 10¢.

Agreement between the United States and the United Kingdom of Great Britain and Northern Ireland, pursuant to agreement of July 6, 1948, as amended. Effected by exchange of notes—Signed at London February 25, 1953.

Training Program in the United States of America for Japanese National Safety Force Officers. TIAS 2817. Pub. 5236. 4 pp. 5¢.

Agreement between the United States and Japan. Effected by exchange of notes—Signed at Tokyo March 17 and 18, 1953.

Economic Cooperation—Guaranties under Public Law 472, 80th Congress, as Amended. TIAS 2818. Pub. 5237. 4 pp. 5¢.

Agreement between the United States and Haiti. Effected by exchange of notes—Signed at Washington March 13 and April 2, 1953.

Agricultural Experiment Station in El Salvador. TIAS 2822. Pub. 5245. 3 pp. 5¢.

Agreement between the United States and El Salvador, extending Memorandum of Understanding of October 21, 1942, as amended and extended. Effected by exchange of notes—Signed at San Salvador April 16 and 21, 1953.

Agricultural Experiment Station in El Salvador. TIAS 2823. Pub. 5246. 3 pp. 5¢.

Agreement between the United States and El Salvador, extending Memorandum of Understanding of October 21, 1942, as amended and extended. Effected by exchange of notes—Signed at San Salvador June 30, 1953.

Civil Aviation Mission to Panama. TIAS 2824. Pub. 5241. 4 pp. 5¢.

Agreement between the United States and Panama, amending and extending agreement of March 31, 1949. Effected by exchange of notes—Signed at Panamá April 14 and May 8, 1953.

Economic Cooperation. TIAS 2826. Pub. 5243. 4 pp. 5¢.

Agreement between the United States and Portugal, amending agreement of September 28, 1948, as amended. Effected by exchange of notes—Signed at Washington May 22 and 25, 1953.

Technical Cooperation—Agriculture and Natural Resources Development Programs. TIAS 2827. Pub. 5247. 8 pp. 10¢.

Agreement between the United States and Colombia. Effected by exchange of notes—Signed at Bogotá May 25, and June 9, 1953.

International Recognition of Rights in Aircraft. TIAS 2847. Pub. 5288. 17 p. 10¢.

Convention between the United States and Other Governments. Opened for signature at Geneva June 19, 1948—Entered into force with respect to the United States September 17, 1953.

The Philippines—1954. Pub. 5508. Far Eastern Series 66. 14 pp. 10¢.

A background summary on the Philippines since gaining its independence on July 4, 1946, its strategic importance to the free nations of the world, and its growing influence in the Far East as a constructive and effective democratic counterforce to the spread of communism.

The Record on Disarmament. Pub. 5581. International Organization and Conference Series III, 102. 20 pp. 15¢.

A report of the U.S. Deputy Representative to the Disarmament Commission on the London meeting of the Subcommittee of Five on the Disarmament Commission meetings from May 13 to June 22, 1954.

The United Nations—An Appraisal for 1954. Pub. 5554. International Organization and Conference Series III, 101. 22 pp. 15¢.

A balance sheet of the costs, accomplishments, and aims of the United Nations, its importance as a forum for world opinion, and its effective part in the progress of the free world in its fight for peace and the common benefit of all mankind.

Aerial Mapping Project in Thailand. TIAS 2759. Pub. 5371. 3 pp. 5¢.

Agreement between the United States and Thailand. Exchange of notes—Signed at Bangkok November 8 and December 3, 1952.

Validation of Dollar Bonds of German Issue. TIAS 2793. Pub. 5212. 92 pp. 30¢.

Agreement between the United States and the Federal Republic of Germany—Signed at Bonn February 27, 1953. Confirmation of Effectiveness in Berlin. Exchange of notes—Signed at Washington February 25 and April 9, 1954.

Certain Matters Arising From the Validation of German Dollar Bonds. TIAS 2794. Pub. 5280. 11 pp. 10¢.

Agreement between the United States and the Federal Republic of Germany—Signed at Bonn April 1, 1953. Confirmation of Effectiveness in Berlin. Exchange of notes—Signed at Washington February 25 and April 9, 1954.

Settlement of Indebtedness of Germany for Awards Made by the Mixed Claims Commission. TIAS 2796. Pub. 5287. 15 pp. 10¢.

Agreement between the United States and the Federal Republic of Germany—Signed at London February 27, 1953.

International Wheat Agreement. TIAS 2799. Pub. 5183. 175 pp. 50¢.

Agreement between the United States and Other Governments, revising and renewing agreement of March 23, 1949—Open for signature at Washington April 13–27, 1953.

Technical Cooperation—Program of Agriculture. TIAS 2829. Pub. 5249. 8 pp. 10¢.

Agreement, with Memorandum of Understanding, between the United States and Liberia—Signed at Monrovia June 23, 1953.

Army Mission to El Salvador. TIAS 2825. Pub. 5242. 19 pp. 15¢.

Agreement between the United States and El Salvador—Signed at San Salvador May 21, 1953.

Cooperating To Improve Free World's Economy

*Statement by George M. Humphrey
Secretary of the Treasury*¹

At the opening of the meeting it was my privilege to bring you the welcome of the President of the United States in behalf of the American people. Now I should like to express my own gratification at being with you again and representing the United States in the second of these annual meetings which have been held since I became Secretary of the Treasury. It is a great pleasure to renew our pleasant associations and to have the opportunity to discuss problems of mutual interest with you.

Since our last meeting the free world has continued to advance toward our common objectives of a healthier and wider flow of trade and money. The President of the United States in his March 30 message to our Congress has set the guidelines for our foreign economic policy.² Last month he emphasized that this message remains firmly our position. Our objective is "to obtain, in a manner that is consistent with our national security and profitable and equitable for all, the highest possible level of trade and the most efficient use of capital and resources." Greater freedom from restrictions and controls and the increased efficiencies which arise from expanding markets and the freer play of economic forces are essential to the attainment of this higher trade level.

During the past year genuine progress has been made in removing restrictions and strengthening our economies. Production and trade remain at high and sounder levels. Good money policies are more widespread. Price levels have become more

stable. Balances of international payments are in better equilibrium. Currency convertibility—a most desirable condition for a freer and healthier international trade—has become a nearer prospect, as the Fund report points out.

I think it is worthy to note how far the trade-agreements program of the United States has moved to reduce our tariffs and eliminate restrictions against imports through the negotiation of reciprocal agreements. During 1953, only 45 percent of the total value of our imports were subject to any import duties. Fifty-five percent were duty free. The duties collected on our dutiable imports represented only 12 percent of their value. To some extent, of course, the ratio of the duties collected to the value of imports reflects a rise in the prices of imported articles. Nevertheless, it is clear that the average cost, to the rest of the world, of sending their goods to us is now comparatively low.

The United States has taken and will continue to take its part in trying further to remove unnecessary restrictions on international trade under the program set forth by the President in his March 30 message to our Congress, and our most recent moves toward customs reform are another step in that direction.

In view of the stronger international position of many other countries, we should reasonably look forward to gradual further lifting of their present restrictions on their trade with the rest of the world and with us.

I think it is generally recognized that probably the greatest contribution which the United States can make to expanding and profitable international trade is a healthy and growing economy at a high level of activity here in the United States. This helps sustain a high level of demand for the world's goods and so fosters trade on a mutually beneficial basis. To sustain a high level of economic activity in this country is the keystone of our policy.

Over the long term, economic progress must be based upon a substantial flow of new private investment, both national and international. The

¹ Made before the opening joint session of the Boards of Governors, International Monetary Fund and International Bank for Reconstruction and Development, Washington, D. C., on Sept. 24. Mr. Humphrey is the Governor for the United States.

² BULLETIN of Apr. 19, 1954, p. 602.

Message From President Eisenhower

The following letter from the President was read by Secretary of the Treasury George M. Humphrey to the opening session of the annual meeting of Boards of Governors, International Bank for Reconstruction and Development and the International Monetary Fund, on September 24:

I am delighted to send greetings to the Boards of Governors of the International Bank for Reconstruction and Development and the International Monetary Fund at their Ninth Annual Meeting in Washington.

The International Bank and the International Monetary Fund during the past year have again demonstrated that they are active and effective instruments in promoting international cooperation toward the well-being of the free world. The United States heartily approves the Fund's efforts to free the world from restrictions on the flow of trade and money and to foster sound monetary policies and currency convertibility. The Bank has notably aided the member countries in their economic development and has helped promote conditions under which greater flow of private investments can take place.

The Fund and the Bank have our best wishes for success and the assurance of our support. I anticipate with confidence a successful year for both institutions.

International Bank in its relatively brief career has done much to improve the climate for investment. Its loans for the development of basic facilities in the member countries have provided the groundwork for other forms of investment. The bank can be an important supplement to the flow of private investment, but it cannot be a substitute for it.

In 1953 the International Bank disbursed \$240 million in loans to member countries. By way of comparison, the outflow of private capital from the United States has been about \$900 million a year for the last 6 years. In addition, the subsidiaries abroad of American companies have re-invested earnings at an average rate of about \$600 million a year.

To complete the picture, the U.S. Government has lent over \$400 million a year net of repayments. All in all, these various sources—the International Bank, private U.S. investors, and the U.S. Government—have added more than \$2 billion a year to the capital available to foreign countries. Three-fourths of this has come from pri-

vate investors. Naturally the great bulk of this investment has been made in those countries where experience has shown the principal is most safe and where reasonable return of earnings can be best assured.

All countries must of course rely upon domestic savings for the great bulk of their economic development. The encouragement of savings and of capital formation at home and the investment of these savings at home in productive enterprise, as well as investment from abroad, are dependent on sound monetary and investment policies and assurance of safety of principal and fair treatment of investors, which give people confidence in their currency and in the preservation of its value. I am sure the discussions we shall have during the next few days will help to assess the importance of these elements in vigorous and successful international investment.

I am looking forward to hearing the views of the other Governors on the problems of international exchange and capital investment and the related matters, which are the occasion for our annual meetings. I know that during these meetings we will all become better acquainted and have the opportunity to obtain a better understanding of our mutual interests and problems, which we can all approach in a real spirit of optimism so amply justified by the widespread improvement in economic conditions in the free world.

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Press releases issued prior to September 27 which appear in this issue of the BULLETIN are Nos. 511 of September 16, 516 of September 20, 518 of September 21, and 532 of September 25.

No.	Date	Subject
*534	9/27	East German refugees.
†535	9/28	Note on Noel Fields.
†536	9/28	Note on Hermann Field.
*537	9/28	Educational exchange.
*538	9/28	Educational exchange.
539	9/28	Notice on Philippine trade hearings.
540	9/28	Correspondence with Yoshida.
541	9/29	Contract with ANTA.
542	9/29	U.S.-French talks on Indochina.
543	9/30	First FSO's under new program.
*544	10/1	Educational exchange.
545	10/1	Smith: Retirement statement.
†546	10/2	Barbour: International Peasant Union.

*Not printed.

†Held for a later issue of the BULLETIN.

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The Department of State

bulletin

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The Department of State bulletin

VOL. XXXI, No. 799 • PUBLICATION 5616

October 18, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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The printing of this publication has been
approved by the Director of the Bureau of
the Budget (January 22, 1952).

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Four-Power Agreement on Trieste

Press release 554 dated October 5

ANNOUNCEMENT OF AGREEMENT

At noon today in London a Memorandum of Understanding on Trieste was initialed by representatives of the Governments of the United States, the United Kingdom, Italy and Yugoslavia. Llewellyn E. Thompson, United States Ambassador to Austria, initialed the Memorandum of Understanding for the United States and Mr. Geoffrey Harrison, Assistant Under-Secretary of State in the British Foreign Office, initialed for the United Kingdom. The Ambassadors of Italy and Yugoslavia in London, Signor Manlio Brosio and Dr. Vladimir Velebit, initialed the document for their two Governments. The text of the Memorandum of Understanding is being communicated to the Security Council of the United Nations.

Today's initialing came as a successful conclusion to conversations among the four Governments which have been carried on for eight months in an endeavor to work out arrangements for the Free Territory of Trieste which would be acceptable to the Governments of Italy and Yugoslavia. The United States Government welcomes the understanding reached today which it believes will lead to improved relations and closer cooperation between Italy and Yugoslavia. The United States Government takes this opportunity to declare it will give no support to claims of either Yugoslavia or Italy to territory under the sovereignty or administration of the other. The United States Government is confident that it will be possible for the two countries to resolve any outstanding problems by friendly negotiations in a spirit of mutual understanding.

Arrangements are being made for the early termination of Allied Military Government, the

withdrawal of American and British forces from the area under their occupation and the assumption by Italy and Yugoslavia of responsibility in the areas as defined by the agreement initialed today.

EXCHANGE OF LETTERS

Identical Letters From Mr. Harrison and Mr. Thompson to Ambassador Brosio

My Government refers to the decision recorded in the Memorandum of Understanding of the 5th of October, 1954 between the Governments of Italy, the United Kingdom, the United States and Yugoslavia by the terms of which responsibility for the area of the Free Territory of Trieste administered by the United Kingdom-United States Military Government will be relinquished by it and assumed by Italy. In order to assure that the termination of Military Government and the assumption of administration by Italy as well as the withdrawal of United Kingdom and United States troops and entry of Italian troops take place promptly and smoothly, it is proposed that the Italian Government designate a representative to meet at an early date with the Commander of the United Kingdom-United States Zone to formulate the pertinent arrangements. My Government hopes to be able to carry out these steps within one month of the date of initialling of the Memorandum of Understanding.

Identical Letters From Ambassador Brosio to Mr. Harrison and Mr. Thompson

It gives me pleasure to acknowledge, etc. etc.,

My Government has designated General Edmondo de Renzi as its representative to meet with

Statement by Secretary Dulles on Trieste Agreement

Press release 553 dated October 5

Ever since the end of the war there has been controversy as to the status of the Trieste area. The United States as one of the occupying powers has had a responsibility in this matter. It had become urgent to arrive at a settlement because the lack of a settlement has created strain between two Governments—Italy and Yugoslavia—and made it difficult to develop a solid and dependable collective defense of Southern Europe.

Now at last this difficult problem is to be settled as the result of many months of negotiations. The United States and the United Kingdom have in this matter extended their good offices to enable the Italian and Yugoslav Governments to come to a mutually satisfactory solution. This settlement will restore to Italy the city of Trieste and the surrounding area and will allow the retention by Yugoslavia of that portion of the Free Territory of which it is the occupying power and where the people are predominantly Yugoslav. The agreement includes provision for the protection of minorities.

The United States hails this gratifying demonstration of the will for peace showing itself through deeds. The problem has been one of great complexity, which defied solution for 9 years. But it has now yielded to the broad statesmanship which has been put to work upon it. This event will, we hope, open a new era which will bring political tranquillity to the peoples directly involved and greater security to all of the free nations of Europe.

The solution of this matter reflects credit upon many. I am confident, however, that none will question the outstanding contribution to a settlement which was made by United States Ambassador L. E. Thompson and Mr. Geoffrey Harrison, United Kingdom Assistant Under-Secretary of State, who dealt with this matter continuously for 8 months. U.S. Deputy Under Secretary Robert D. Murphy, on his recent trip to Europe, composed the small but stubborn remaining differences.

the Commander of the United Kingdom-United States Zone of the Free Territory of Trieste to formulate the arrangements for the change in administration in that area of the Free Territory of Trieste for which Italy will assume responsibility. It is understood that as soon as the boundary adjustments have been carried out the entry of Italian troops will take place at the time specified in these arrangements and simultaneously with

the final withdrawal of British and American forces and the assumption of responsibility by Italy.

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENTS OF ITALY, THE UNITED KINGDOM, THE UNITED STATES AND YUGO SLAVIA REGARDING THE FREE TERRITORY OF TRIESTE

1. Owing to the fact that it has proved impossible to put into effect the provisions of the Italian Peace Treaty relating to the Free Territory of Trieste, the Governments of the United Kingdom, the United States and Yugoslavia have maintained since the end of the war military occupation and government in Zones A and B of the Territory. When the Treaty was signed, it was never intended that these responsibilities should be other than temporary and the Governments of Italy, the United Kingdom, the United States and Yugoslavia, as the countries principally concerned, have recently consulted together in order to consider how best to bring the present unsatisfactory situation to an end. As a result they have agreed upon the following practical arrangements.

2. As soon as this Memorandum of Understanding has been initialled and the boundary adjustments provided by it have been carried out the Governments of the United Kingdom, the United States and Yugoslavia will terminate military government in Zones A and B of the Territory. The Governments of the United Kingdom and the United States will withdraw their military forces from the area north of the new boundary and will relinquish the administration of that area to the Italian Government. The Italian and Yugoslav Governments will forthwith extend their civil administration over the area for which they will have responsibility.

3. The boundary adjustments referred to in paragraph 2 will be carried out in accordance with the map at Annex I.¹ A preliminary demarcation will be carried out by representatives of Allied Military Government and Yugoslav Military Government as soon as this Memorandum of Understanding has been initialled and in any event within three weeks from the date of initialling. The Italian and Yugoslav Governments will im-

¹ Not printed. The map reproduced here was especially prepared for the BULLETIN.



mediately appoint a Boundary Commission to effect a more precise demarcation of the boundary in accordance with the map at Annex I.

4. The Italian and Yugoslav Governments agree to enforce the Special Statute contained in Annex II.

5. The Italian Government undertakes to maintain the Free Port at Trieste in general accordance with the provisions of Articles 1-20 of Annex VIII of the Italian Peace Treaty.²

6. The Italian and Yugoslav Governments agree that they will not undertake any legal or administrative action to prosecute or discriminate against the person or property of any resident of the areas coming under their civil administration in accordance with this Memorandum of Understanding for past political activities in connexion with the solution of the problem of the Free Territory of Trieste.

7. The Italian and Yugoslav Governments agree to enter into negotiations within a period of two months from the date of initialling of this Memorandum of Understanding with a view to concluding promptly an agreement regulating local border traffic, including facilities for the movement of the residents of border areas by land and by sea over the boundary for normal commercial and other activities and for transport and communications. This agreement shall cover Trieste and the area bordering it. Pending the conclusion of such agreement, the competent authorities will take, each within their respective competence, appropriate measures in order to facilitate local border traffic.

8. For a period of one year from the date of initialling of this Memorandum of Understanding persons formerly resident ("pertinenti"—"zavičajni") in the areas coming under the civil administration either of Italy or of Yugoslavia shall be free to return immediately thereto. Any persons so returning, as also any such who have already returned, shall enjoy the same rights as the other residents of these areas. Their properties and assets shall be at their disposal, in accordance with existing law, unless disposed of by them in the meantime. For a period of two years from the date of initialling of this Memorandum of Understanding, persons formerly resident in either of these areas and who do not intend returning

thereto, and persons presently resident in either area who decide within one year from the date of initialling of this Memorandum of Understanding to give up such residence, shall be permitted to remove their movable property and transfer their funds. No export or import duties or any other tax will be imposed in connexion with the moving of such property. Persons wherever resident who decide to sell their movable and immovable property within two years from the date of initialling of this Memorandum of Understanding will have the sums realised from the sale of such property deposited in special accounts with the National Banks of Italy or Yugoslavia. Any balance between these two accounts will be liquidated by the two Governments at the end of the two year period. Without prejudice to the immediate implementation of the provisions of this paragraph the Italian and Yugoslav Governments undertake to conclude a detailed agreement within six months of the date of initialling of this Memorandum of Understanding.

9. This Memorandum of Understanding will be communicated to the Security Council of the United Nations.³

LONDON, the 5th of October, 1954.

MANLIO BROSI
GEOFFREY W. HARRISON
LLEWELLYN E. THOMPSON
DR. VLADIMIR VELEBIT

Annex II.

SPECIAL STATUTE

Whereas it is the common intention of the Italian and Yugoslav Governments to ensure human rights and fundamental freedoms without discrimination of race, sex, language and religion in the areas coming under their administration under the terms of the present Memorandum of Understanding, it is agreed:

1. In the administration of their respective areas the Italian and Yugoslav authorities shall act in accordance with the principles of the Universal Declaration of Human Rights adopted by the General Assembly of the United Nations on the 10th of December, 1948, so that all inhabitants of the two areas without discrimination may fully enjoy the fundamental rights and freedoms laid down in the aforesaid Declaration.

2. The members of the Yugoslav ethnic group in the

² Department of State publication 2960.

³ Transmitted to the President of the Security Council on Oct. 5 and circulated as U.N. doc. S/3301.

area administered by Italy and the members of the Italian ethnic group in the area administered by Yugoslavia shall enjoy equality of rights and treatment with the other inhabitants of the two areas.

This equality implies that they shall enjoy:

- (a) equality with other citizens regarding political and civil rights as well as other human rights and fundamental freedoms guaranteed by Article 1;
- (b) equal rights in acquiring or performing any public services, functions, professions and honours;
- (c) equality of access to public and administrative office; in this regard the Italian and Yugoslav administrations will be guided by the principle of facilitating for the Yugoslav ethnic group and for the Italian ethnic group, respectively, under their administration a fair representation in administrative positions, and especially in those fields, such as the inspectorate of schools, where the interests of such inhabitants are particularly involved;
- (d) equality of treatment in following their trade or profession in agriculture, commerce, industry or any other field, and in organising and operating economic associations and organisations for this purpose. Such equality of treatment shall concern also taxation. In this regard persons now engaged in a trade or profession who do not possess the requisite diploma or certificate for carrying on such activities, shall have four years from the date of initialling of the present Memorandum of Understanding within which to acquire the necessary diploma or certificate. They will not be prevented from exercising their trade or profession because of failure to have the requisite documents unless they have failed to acquire them within the aforementioned four year period;
- (e) equality of treatment in the use of languages as defined in Article 5 below;
- (f) equality with other citizens in the general field of social assistance and pensions (sickness benefits, old age and disability pensions including disabilities resulting from war, and pensions to the dependents of those killed in war).

3. Incitement to national and racial hatred in the two areas is forbidden and any such act shall be punished.

4. The ethnic character and the unhampered cultural development of the Yugoslav ethnic group in the Italian administered area and of the Italian ethnic group in the Yugoslav administered area shall be safeguarded.

- (a) They shall enjoy the right to their own press in their mother tongue;
- (b) the educational, cultural, social and sports organisations of both groups shall be free to function in accordance with the existing laws. Such organisations shall be granted the same treatment as those accorded to other corresponding organisations in their respective areas, especially as regards the use of public buildings and radio and assistance from public financial means; and the Italian and Yugoslav authorities will endeavour to ensure to

such organisations the continued use of the facilities they now enjoy, or of comparable facilities;

- (c) kindergarten, primary, secondary and professional school teaching in the mother tongue shall be accorded to both groups. Such schools shall be maintained in all localities in the Italian administered area where there are children members of the Yugoslav ethnic group, and in all localities in the Yugoslav administered area where there are children members of the Italian ethnic group. The Italian and Yugoslav Governments agree to maintain the existing schools as set out in the list attached hereto for the ethnic groups in the area under their administration and will consult in the Mixed Committee provided for in the final Article of this Statute before closing any of these schools.

Such schools shall enjoy equality of treatment with other schools of the same type in the area administered, respectively, by Italy and Yugoslavia as regards provision of textbooks, buildings and other material means, the number and position of teachers and the recognition of diplomas. The Italian and Yugoslav authorities shall endeavour to ensure that the teaching in such schools will be performed by teachers of the same mother tongue as the pupils.

The Italian and Yugoslav authorities will promptly introduce whatever legal prescriptions may be necessary so that the permanent organisation of such schools will be regulated in accordance with the foregoing provisions. Italian speaking teachers, who on the date of the initialling of the present Memorandum of Understanding are employed as teachers in the educational system of the Yugoslav administered area and Slovene speaking teachers who on the said date are employed as teachers in the educational system of the Italian administered area shall not be dismissed from their positions for the reason that they do not possess the requisite teaching diploma. This extraordinary provision shall not be used as a precedent or be claimed to apply to any cases other than the categories specified above. Within the framework of their existing laws the Yugoslav and Italian authorities will take all reasonable measures to give the aforementioned teachers an opportunity, as provided in Article 2 (d) above, to qualify for the same status as regular members of the teaching staff.

The educational programmes of such schools must not be directed at interfering with the national character of the pupils.

5. Members of the Yugoslav ethnic group in the area administered by Italy and members of the Italian ethnic group in the area administered by Yugoslavia shall be free to use their language in their personal and official relations with the administrative and judicial authorities of the two areas. They shall have the right to receive from the authorities a reply in the same language; in verbal replies, either directly or through an interpreter; in correspondence, a translation of the replies at least is to be provided by the authorities.

Public documents concerning members of these ethnic groups, including court sentences, shall be accompanied by a translation in the appropriate language. The same shall apply to official announcements, public proclamations and publications.

In the area under Italian administration inscriptions on public institutions and the names of localities and streets shall be in the language of the Yugoslav ethnic group as well as in the language of the administering authority in those electoral districts of the Commune of Trieste and in those other communes where the members of that ethnic group constitute a significant element (at least one quarter) of the population; in those communes in the area under Yugoslav administration where the members of the Italian ethnic group are a significant element (at least one quarter) of the population such inscriptions and names shall be in Italian as well as in the language of the administering authority.

6. The economic development of the Yugoslav ethnic population in the Italian administered area and of the Italian ethnic population in the Yugoslav administered area shall be secured without discrimination and with a fair distribution of the available financial means.

7. No change should be made in the boundaries of the basic administrative units in the areas which come under the civilian administration of Italy or Yugoslavia with a view to prejudicing the ethnic composition of the units concerned.

8. A special Mixed Yugoslav-Italian Committee shall be established for the purpose of assistance and consultation concerning problems relating to the protection of the Yugoslav ethnic group in the area under Italian administration and of the Italian ethnic group in the area under Yugoslav administration. The Committee shall also examine complaints and questions raised by individuals belonging to the respective ethnic groups concerning the implementation of this Statute.

The Yugoslav and Italian Governments shall facilitate visits by the Committee to the area under their administration and grant it every facility for carrying out its responsibilities.

Both Governments undertake to negotiate forthwith detailed regulations governing the functioning of the Committee.

LONDON, the 5th of October, 1954.

MANLIO BROGIO
Dr. VLADIMIR VELEBIT

List of Existing Schools

Referred to in Article 4 (c) of Annex II
(Special Statute) of Memorandum of Understanding

I. Slovene Schools presently functioning in the area coming under the administration of Italy in accordance with the Memorandum of Understanding

1. Kindergartens

- a) Municipality of Trieste (Trst):
Barcola (Barkovlje) Via San Fortunato 1,
Gretta (Greta)
San Giovanni (Sv. San Giacomo (Sv. Jakob)
Ivan)
Servola (Skedenj) San Saba (Sv. Sobota)

- Longera (Lonjer) Basovizza (Bazovica)
Trebianico (Trebece) Villa Opicina (Opcine)
S. Croce (Sv. Kriz) Prosecco (Prosek)
b) Commune of Duino-Aurisina (Devin-Nabrezina)
Malchina (Mavhinje) Duino (Devin)
Aurisina (Nabrezina)
c) Commune of Sgonico (Zgonik):
Sgonico (Zgonik) Gabrovizza (Gabrovica)
d) Commune of Monrupino (Repentabor):
Monrupino (Repentabor)
e) Commune of S. Dorligo della Valle (Dolina):
S. Dorligo d. Valle Bagnoli della Rosand
(Dolina) (Boljunec)
S. Antonio in Bosco Domio (Domjo)
(Borst)

2. Elementary Schools

- a) Municipality of Trieste (Trst):
S. Giacomo (Sv. Via S. Francesco (Ul. S.
Jakob) Franciska)
Via Donadoni (Ul. Servola (Skedenj)
Donadoni)
Cattinara (Katinara) Roiano (Rojan)
S. Anna (Sv. Ana) S. Giovanni (Sv. Ivan)
Barcola (Barkovlje) Villa Opicina (Opcine)
Prosecco (Prosek) S. Croce (Sv. Kriz)
Trebianico (Trebece) Gropada (Gropada)
Basovizza (Bazovica)
b) Commune of Duino-Aurisina (Devin-Nabrezina)
Aurisina (Nabrezina) Sistiana (Sesljan)
Duino (Devin) S. Giovanni di Duin
(Stivan)
Medeazza (Medja Ceroglie (Cervolje)
vas)
Malchina (Mavhinje) Slivia (Slivno)
S. Pelaggio (Sem-
polaj)
c) Commune of Sgonico (Zgonik):
Sales (Salez) Gabrovizza (Gabrovica)
Sgonico (Zgonik)
d) Commune of Monrupino (Repentabor): Mor-
rupino (Repentabor)
e) Commune of San Dorligo della Valle (Dolina):
S. Dorligo della Valle Bagnoli della Rosandr
(Dolina) (Boljunec)
S. Antonio in Bosco S. Giuseppe della Chius
(Borst) (Riemanje)
Domio (Domjo) Caresana (Mackovlje)
Pese (Pese)
f) Commune of Muggia (Milje):
Stramare (Stramar) S. Barbara (Sv. Barbara)

3. Professional Schools and Courses

- a) Municipality of Trieste (Trst):
Industrial Professional School at Roiano (Rojan)
Industrial Professional School at S. Giovanni
(Sv. Ivan)
Two-Year Industrial Professional Course at
Villa Opicina (Opcine)
Two-Year Commercial Professional Course at
Prosecco (Prosek)
Two-Year Commercial Professional Course at
Cattinara (Katinara)
Professional Course at S. Croce (Sv. Kriz)
b) Commune of Duino-Aurisina (Devin-Nabrezina):
Two-Year Industrial Professional Course at
Aurisina (Nabrezina)
c) Commune of S. Dorligo della Valle (Dolina):
Two-Year Industrial Professional Course at S.
Dorligo d. Valle (Dolina)
The above-mentioned professional courses shall
be changed into professional schools in accord-
ance with the Italian law.

4. *Secondary Schools*—Trieste (Trst):

Junior High School
Via delle Scuole Nuove-S. Giacomo (Sv. Jakob)
Senior High School
Via Lazzaretto Vecchio, 9
State Teachers' School
Piazzale Gioberti—S. Giovanni (Sv. Ivan)
Commercial Academy
Piazzale Gioberti, S. Giovanni (Sv. Ivan)

I. *Italian Schools presently functioning in the area coming under the administration of Yugoslavia in accordance with the Memorandum of Understanding*

1. *Kindergartens*

Kopar (Capodistria)

2. *Italian classes in Kindergartens in:*

Izola (Isola d'Istria)	Secovlje (Sicciolo)
Piran (Pirano)	Novigrad (Cittanova)
Buje (Buie)	Umag (Umago)

3. *Elementary Schools*

Umag (Umago)	Brtonigla (Verteneglio)
Kostajnica (Castagna)	Novigrad (Cittanova)
Kopar (Capodistria)	Piran (Pirano)
Sv. Lucija (S. Lucia)	Secovlje (Sicciolo)
Buje (Buie)	Groznjan (Grisignana)
Momjan (Momiano)	Sv. Nikolaj (S. Nicolo)
Izola (Isola d'Istria)	Prade (Prade)
Semedela (Semedella)	Strunjan (Strignano)

4. *Professional Schools*

Kopar (Capodistria)
Izola (Isola d'Istria)
Secovlje (Sicciolo)
Buje (Buie)
Umag (Umago)
Novigrad (Cittanova)
Italian Division of Trade School for Girls
(Three year course) at Kopar (Capodistria)

5. *Secondary Schools*

Classical High School (eight years)
Kopar (Capodistria)
Scientific High School (eight years) Piran (Pirano)
Commercial Technical School (two years) Deola
(Isola d'Istria)

This agreement is a real achievement of statesmanship which should assist substantially in the development of greater security in Southeastern Europe against any possible encroachment. I am sure that you share with me the hope that this accord will foster the enhancement of peace and the well-being of the peoples of Europe.

Secretary Dulles to Foreign Minister Koca Popovic of Yugoslavia

Press release 557 dated October 6

On the occasion of the announcement of agreement on the Trieste question, I wish to convey to you and your representatives who dealt with this issue my profound gratification at the successful outcome of the London negotiations. I wish to congratulate you and them on the patience and understanding shown.

This accord is an excellent demonstration of what can be achieved through cooperation and understanding when there exists a sincere desire to find a solution to a difficult international problem. It is a real achievement of statesmanship and lays a firmer foundation for cooperation among free nations to increase their mutual security and welfare. In addition to these improved general prospects the settlement of this issue also opens the way to concrete and forward looking steps in the solution of economic and military problems in which your country and mine have a common concern.

Herbert Hoover, Jr., Assumes Office as Under Secretary

Press release 549 dated October 4

Following is the text of a statement made by Herbert Hoover, Jr., upon assuming office as Under Secretary of State on October 4.

It is with a deep sense of responsibility that I undertake the duties of the Under Secretary of State at the invitation of President Eisenhower and of yourself [i.e. Secretary Dulles].

I want you to know that I feel that it is a very great honor to join with the many members of the Department and of the Foreign Service who have dedicated themselves to the service of our country in these difficult times. And I particularly feel that it is a great privilege to serve under you in the constructive leadership which you are giving so actively to our foreign policy.

MESSAGES FROM SECRETARY DULLES TO ITALIAN AND YUGOSLAV FOREIGN MINISTERS

Secretary Dulles to Foreign Minister Gaetano Martino of Italy

Press release 556 dated October 6

On the occasion of the announcement of agreement on Trieste I wish to convey to you and your representatives who dealt with this issue my profound gratification at the successful outcome of the London negotiations. This accord is proof indeed of what can be achieved through cooperation and understanding when there exists a sincere desire to find a solution to an involved international problem.

October 18, 1954

The Defense of Europe: A Progress Report

by Gen. Alfred M. Gruenther
*Supreme Commander, Allied Powers Europe*¹

As you probably know, my assignment calls for the defense of Europe, from the northern tip of Norway to the eastern borders of Turkey, a distance of some 4,000 miles. My purpose this evening is to give you a progress report on how we are doing in Europe.

The day before yesterday, I left Germany—Northern Germany—where I had attended 4 days of maneuvers. The maneuvers that we have had this year are the largest we have had since General Eisenhower came to Europe in the early part of 1951. And I can say that they were also the most successful maneuvers that we have staged. I spent 2 days with General Hoge, of the Central Army Group, which was largely an American-French maneuver, and a day and a half with General Gale of the Northern Army Group—General Gale being a British Commander. It was a two-sided maneuver that had as the commander on one side a Belgian Commander and under him two Belgian divisions, a Canadian brigade, American troops, atomic artillery, and British troops. On the opposing side was a Netherlands Commander with British troops, Netherlands troops, and some American troops, and, again, atomic artillery.

That maneuver is the most successful one we have had, and the improvement in the functioning of our troops was very marked over what it was 7 years ago and very obvious over what it was a year ago. As you may have read in the press, the atomic side was played very extensively. In the tactical use of the atomic bomb, atomic bombs were dropped from airplanes and also projected

from atomic artillery. It is still too early to evaluate the lessons of the maneuver, but it is clear that we are on the threshold of a new type of warfare which is going to change, to a considerable extent, tactics and organization. However, having said that, I also should like to reiterate that it does not change the necessity for the troops on the ground or the so-called tactical air support which you know so well.

I'd like now to move to our general progress in the North Atlantic Treaty Organization from the standpoint of buildup of our forces, starting with the time when General Eisenhower arrived in January 1951. Now he found, when he arrived in Europe, a very low state of morale. You will recall at that time that we were about to be ejected from the Korean peninsula. And in Europe itself, the new and better world which we had been led to believe was going to follow the last war had given way, as a result of incidents in Europe and throughout the world, to the stark realism that Soviet imperialism was again on the march. General Eisenhower found precious few troops. But what was worse still was that there was no way to use the troops that he did have, no way to employ those resources in a common strategy.

Now, some 3¾ years later, that situation has changed considerably. We now have, division-wise, between 90 and 100 divisions. Not all of those are D-day divisions; some are D plus 15, some are D plus 30. But they constitute a very substantial force. In the field of aircraft—air forces—the increase has been even greater, although that still happens to be one of our greatest shortages. We feel that as of now we still do not have enough to meet an all-out act of Soviet aggression successfully, and that is why we have asked our

¹ Address made before the National Security Industrial Association at New York, N. Y., on Sept. 29.

political superiors, the North Atlantic Council, to furnish more troops. And one element of that additional strength has come in the question of German forces.

The second element, as we move ahead, is that it will take, from the time of decision, approximately 2 years until we have German ground forces, and approximately 3 years until we have German tactical air forces. So we are actually moving our planning cycle ahead for a period about 3 years hence. And we say that, as of that time, if we do have that German contribution and if we are able to use atomic bombs against an act of aggression, if it should take place, we will have a reasonably good chance of defending Europe successfully against an all-out act of Soviet aggression. Those two conditions, however, must be met.

Now, of the status of the first one you are well aware, namely, that after 7 years of consideration, a project for bringing the German troops into use for the defense of Europe was rejected by the French Parliament, and the nine foreign ministers are meeting in London right now—they finished their session this evening. It's now a few minutes after 3 o'clock in the morning in London, and those foreign ministers are sleeping, I hope peacefully, getting ready for the session which starts again tomorrow morning at 11 o'clock. This is an extremely important session. It's vital that the nine foreign ministers meeting reach a solution on this critical problem.

France and EDC

Having said that, I should like to spend a moment so that you will understand why the French Parliament rejected the EDC. The idea of EDC—the European Defense Community—was to make a German contribution available for the defense of Europe. But, since that is more of a political problem than a military problem, that new organization had to be backed by a political framework, and the framework was to be the European Defense Community—a move toward a united Europe with only six countries participating: France, Belgium, the Netherlands, Luxembourg, Italy, and Western Germany. The French Parliament decided that united concept, that federal concept, if you will, was premature. But it is well that you understand that most of the people in France, and a great many of the people who voted against this in the Parliament, were not against

German rearmament as such. They were against that particular vehicle for bringing German rearmament into being; and the part that they objected to was this federalization, or, as it has been described in Europe, the supernational aspect of the European Defense Community Treaty. I bring that up because there has been considerable misunderstanding that the French are against German rearmament.

Now there are many French who are against it, and I think you should know why they are against it because, whether you agree or not, I feel that it is essential in this alliance that we understand the point of view of the other man. You know well that France and Germany have had three wars in the last 80 years. You know that there was a large resistance movement in France against the Germans during the war and that created a great amount of bitterness. You may not know that there were 700,000 French laborers deported to Germany, and many of them felt that they had a very unhappy existence. In addition to that, there were 240,000 of the so-called upper classes who were shipped to Germany and spent considerable time in prisons like Dachau and Buchenwald, and of that group, over 100,000 failed to return. So it is not difficult to see that there is a considerable amount of bitterness still existing on this subject.

And in case you are inclined to be impatient of bitterness, I would recall to you that, after our own Civil War, the last state that came back into the Union returned in 1877—12 years after the end of that war—and the bitterness did not end then. Those were people that we knew, that spoke the same language and were very good friends.

So if you consider the idea of bitterness, please bear in mind that the French situation does have a point that should be considered. I don't say that, having considered it, they should not have passed EDC, but I say that if we criticize them we should understand their side of the argument.

What the solution is going to be at London it's too early to say. I am sure of this—I am sure Mr. Mendès-France, who is the French Premier, is going with the determination to solve this problem. I am sure that he is resolved to find an arrangement for bringing the Germans into an organization where they will be able to contribute to the defense of Europe. What, again, will be the means for that is a subject that is being negotiated now, and it would not be profitable to go into that matter because the situation is extremely fluid.

Use of Atomic Power

On the question of the second element, you'll recall that I said that in order to defend Europe successfully we had to have a German contribution, which I think we are going to get, and we must also be able to use atomic bombs to repel an act of aggression. Now, in attacking that problem, I would like to tell you that this has been one of the strongest points that the Soviet propaganda has been directed against. The Soviets, if you will recall, starting more than 2 years ago, have been saying, "We will agree to nothing in the way of disarmament unless atomic bombs are banned." You will recall that, when the President made his atomic-pool proposal last December the eighth, the first answer of the Soviets was, "Yes, we shall participate provided that there shall be a banning of the atomic bomb."

When the disarmament convention met in London—for about the fifth time in the last several years—in May of this year, there was no agreement because the Soviets said, "Yes, we'll consider disarmament if the atomic bomb is banned. That must be the first thing." And that element is one of the main points of the Soviet propaganda now.

Now you must understand, and I'm sure you do—and you'll forgive me if I labor the point—the Soviets are much more clever now than they have ever been before in the way they are handling their propaganda. We thought Uncle Joe was tough—and he was. But the new regime, the the triumvirate of Mr. Malenkov, Mr. Molotov, and Mr. Khrushchev, is infinitely more clever and infinitely more dangerous than Uncle Joe ever was. We might even say we never had it so good as under Uncle Joe. They are conducting a very tough campaign, and to meet that we must realize we are in the major leagues and are going to be in the major leagues for some time.

Now, we feel that it would be a great error for the West to agree to the banning of atomic bombs because even with the German contribution we are not going to be able to match the Soviets in the field of conventional troops and conventional armament. And we are trying to redress that deficiency by the use of the atomic bomb. Obviously, if we cannot redress that, it changes the picture very materially and very adversely.

Now a variant—although the Soviets have not actually advanced this, but many of their followers have—a variant of that is this, and this makes

an appeal, "Well, let's ban the atomic bomb except in retaliation." Now, let's just examine that for a second, and let's use the case of Dien-Bien-Phu as an illustration.

At Dien-Bien-Phu, the Communists put 42,000 against 12,000. Normally 42,000 are going to beat 12,000, and they did in that case. If you agree to use the atomic bomb only in retaliation, that would mean that the side with the 12,000 could not use it to redress this imbalance. The side with the 42,000 might never care to use it. If they could win without it, why should they allow themselves to be subjected to a retaliatory measure? So we say—we, who are charged with a certain element of planning for the defense of Europe—that it would be to the disadvantage of the United States and the other nations in NATO to agree to this proposal of the Soviets.

Now that does not mean that we do not agree to disarmament. If there is a safe and secure disarmament plan across the board which will make war impossible, we are for that. But simply because atomic bombs do create casualties—and very heavy casualties against women and children—is no reason why we should become sentimental over this question as to what weapons must be used. The chore is to make war itself impossible. However, the Soviets are very clever on this, and in an area which is very, very close to Soviet bombers you can well understand the appeal that the campaign is going to have. It isn't dangerous yet, and I say that most of the people on the Continent are not thinking about it very much. But sooner or later they will, and sooner or later we are going to have a real problem on our hands in the counter-propaganda field. That brings me to my next point and that is this question of ideas.

The Cold War

You gentlemen represent here a portion of American industry, you and your predecessors, who have made a tremendous contribution in making America great. You were not worried—or your predecessors, the pioneers—about obstacles, and you've made our country the strongest and wealthiest country in the world. That's created a type of psychology that the Americans can do anything. And in the field of production, in the field in which you gentlemen are doing so well, that is true.

But it does not follow that just because we can

get more bulldozers on a job and overcome all difficulty, we are going to win the other struggle—the struggle which is being waged very vigorously now and is commonly known as the cold-war struggle—the battle for men's minds, if you will. And we are up against some very fine experts in that field.

You gentlemen have made your success, in large measure, not only by overcoming those obstacles but by selling your products. And in that you have appealed to the mind. Certainly the talents which you have put to use in advertising your products could be put to use in working in this field, which, if anything, is even more important than the military field. And make no mistake about it, the Soviets are very, very clever in that field, and they are beginning to do well, especially since Comrade Stalin passed out of the picture. They have a field which they are able to exploit because the conditions, the social conditions, which were so damaged during the war—and again take France as an illustration, with its badly damaged railroads and housing—and the social improvement which would normally come to a country have been delayed as a result of rearmament. What is more logical than that the workmen, who have had those benefits delayed, should show a certain amount of resentment over continuing to pay high taxes?

Just the day before yesterday—no, it was 2 days before that—I met a painter, and that painter was getting 28,000 francs a month. Twenty-eight thousand francs a month is \$80. He has to leave his house at seven-thirty in the morning, and he gets home at seven o'clock at night, and, somehow, he seems to work on Saturdays. I'm not sure about that, but he's always away on Saturday. He has one child, he gets a little social security for that, but his total pay is \$110. Now, if he should buy a ton of hard coal in France, which I assure you he never does, it costs him \$54. A pound of butter costs him about 90 cents. Bread is cheaper, rent is cheaper, a few things are cheaper than they are here. But he lives a very tough existence. He doesn't happen to be a Communist, this particular one, but 5 million like him are Communist in France. Not that they know the slightest idea about Marxism; not that they care. They are talking about a social system, and the Communists have been able to capitalize on that. But that is the kind of audience that requires the kind of

leadership that we are going to have to exert in order to overcome that situation.

Now in this country—and I see a great many Americans—many of you here have been to our headquarters—I know there is a growing impatience about Europe and particularly about France. And you have reasons to be exasperated, I am sure. But will you please bear in mind, as you become exasperated, that the one fellow who is getting the advantage of that is Mr. Malenkov, and he is sitting back chuckling all the time, because he hasn't even been smart enough to devise some of these divisive influences. So, if we must be tough with our allies, I hope we can do it in sorrow rather than in anger. Because the most important thing in this alliance—and the thing which has been accepted by all of the 14 member nations of 400 million people—is that we are not going to win this struggle unless we do it together and in common. Make no mistake about that.

From time to time there are advocates of the "fortress America" theory. But just for the sake of argument let us assume that you could prove mathematically that you could win a war on the "fortress America" concept—and I say "for the sake of argument" because I don't admit it. But I don't want to go into that. You don't win the cold-war struggle by it, and that may be the one that we're going to have with us for a generation or two generations. If we lose that, then we have lost everything.

So, as we consider these elements of military strength, my plea to you is to consider the spiritual side of it. The leadership of the United States is of paramount importance in this struggle. You hear, from time to time, that there is anti-Americanism in Europe. There is—not as much as you hear. There would be a great fear if it were ever indicated that the Americans were going to pull out of Europe.

We hear from time to time from people who say, "Well, let's work out a separate arrangement with the Germans. You have said that the Germans are important and necessary for the defense of Europe." That is true. The other part, which we didn't say, because it's based on the North Atlantic Treaty, is that we also need France. So the story is we must have both Germany and France to defend Europe.

Now I recognize that this does not give you any prescription as to what you're to do, and I can

only hide behind the wisecrack which Will Rogers made some years ago when he was talking about the submarine problem. He said, "The submarine problem is a simple one to solve. All you have to do is bring the ocean to a boil, and, when the submarine comes to the top, knock it off." Well, somebody said, "Will, how do you get the ocean to a boil?" "Well," he said, "I'm only defining the general principle, the details are up to you."

And I'm leaving the details to you gentlemen because it's a field that is primarily in the civilian field and not in the military field.

To be just a little more specific, however, than Will was, I would say this: Certainly respect and support of the leaders who are working in this field is one of the paramount contributions you can make, plus recognition that the job that they are doing is a very difficult one and one for which there probably is no answer. Many of these problems are still going to be with us many years from now.

In the last 7 years I have had occasion to work with three Secretaries of State: General Marshall, Mr. Acheson, Mr. Dulles. I think they have all been men of great quality, and I admire each and every one of them. I would say that Mr. Dulles has the toughest job and he needs every bit of support that you can give him now. It is not a matter of political affiliation—he's up against a very difficult situation.

Need for an Informed Public

Secondly, I feel that in our public opinion and in our know-how—which is a thing that you gentlemen know in the industrial field—in the know-how in this ideological field, we have to increase our fund of knowledge very materially. By reason of our power position the mantle of leadership has fallen on our shoulders, but we are ill-equipped to execute it; and we must change that situation.

Now what do I mean by that? Well, your own children—how much are they studying the subject, how much do they know of Europe, and how much are they working on it in their college courses? How many of your sons and daughters are trying to get into the Foreign Service, a field of tremendous importance for the future of the United States? The Foreign Service has recently

been reorganized to make the opportunities more attractive, and I'm not here recruiting for them, but I've seen them in operation and the job they do is of tremendous importance. But above all, I'm making my plea for an understanding and a realization that these problems cannot be solved in simple ways.

As for the future, I have confidence that we're going to succeed. I am not one who believes that the Soviets have no weaknesses. There is a tendency to feel that every Soviet is six feet tall; but that isn't true. There are some dumb ones just like we have them.

But to consider some of their internal weaknesses I need only point to one. Mr. Khrushchev pointed out, a year ago, that in the year 1953 the Soviet Union had in Russia 9 million less head of cattle than it had in 1928. In 1928 its population was 152 million; now its population is perhaps 210 million. In the production field you know the story—it takes a Soviet citizen about 3 months' work to buy a suit of clothes, a suit that would ordinarily cost here about \$80.

Those are internal problems which are going to give Mr. Malenkov many a headache, and that particular one, the last one, will give him a first-class headache—and let us pray that it will be a real good one! He has promised that he is going to change that, but he's got 210 million kibitzers who are going to know whether he changes it, though they may not know whether his figures on steel are correct.

So I feel that the progress we have made has been significant and that we have no reason to cringe in fear before this monolithic dictatorship. It is nothing that we can underestimate, but, on the other hand, there's no reason why we should feel that the problem is impossible.

NATO is *your* organization. It will continue to thrive if it has the active participation of the people of the United States; and a group such as you will realize that our problems can only be solved by the application of wisdom and patience and perseverance—frequently in the light of most irritating conditions.

As for the cold war itself, I'm sure we can handle that with clear poise and steady purpose if we remain dedicated to the unity of our cause. For free men there is no other way for survival.

European Command Reports on Offshore Procurement Program

STATEMENT BY GEN. ORVAL R. COOK¹

I am glad to welcome you gentlemen to the Headquarters of the United States European Command here at Camp des Loges [near St. Germain, on the outskirts of Paris]. It is the first opportunity I have had to meet with the press since we moved here from our Frankfurt headquarters in May.

This Headquarters—US EUCOM, to use its abbreviation—is headed by General Gruenther, whom most of you know. His position of Commander in Chief, US EUCOM, is in addition to his international responsibilities as Supreme Allied Commander, Europe. In discharging his U.S. European Command responsibilities, General Gruenther has delegated to me, as Deputy Commander in Chief, US EUCOM, broad authority.

The primary reason for inviting you here today is that there is one program in particular under our jurisdiction which I thought you might be interested in at this time—the U.S. offshore procurement program. I believe this subject is newsworthy now because we have just computed the total of contracts placed by the Army, Navy, and Air Force this past fiscal year throughout the European and NATO areas. We are thus able to give you specific information on the program for the year ended June 30 and, in the light of these new figures, to make some observations on what the whole OSP program is accomplishing.

For those of you not familiar with the term "offshore procurement program," let me explain briefly what it is.

Since 1946 our allies have made great strides in economic recovery and in building up their own defense capabilities. The United States, through the Mutual Security Program, has provided assistance to these countries by furnishing equipment for their military forces which was beyond their own capacities to provide. This U.S. military assistance program for the European NATO countries since 1949 has amounted to some 12 billions of dollars, more than half of which has been delivered. The program has effectively supplemented the substantial efforts which these countries themselves have been making.

U.S. assistance is provided in two ways—first, in the form of defense items manufactured for the Mutual Security Program in the United States and shipped here; and second, in the form of U.S.-type equipment and supplies which we procure here in Europe and transfer to the several countries for their defense force. To instruct the recipients of this military equipment in its use, maintenance, and repair, the defense assistance program is augmented by an extensive training program conducted by the United States Armed Forces both here and at home.

We also buy supplies and services throughout Western Europe for the U.S. troops stationed here in Europe. The supplies are principally foodstuffs, but the services are diversified and include many items such as repairs to and parts for U.S. combat vehicles.

The buying of military equipment and goods and services in the European NATO area we call "offshore procurement." The name obviously comes from the fact that it describes purchases made beyond the shores of the United States.

The subordinate commands and agencies of this Headquarters placed offshore procurement con-

¹Made at a press conference at the Headquarters of the U.S. European Command on Oct. 4. General Cook is Deputy Commander in Chief, U.S. European Command.

tracts with the industrial establishment of Western Europe totaling more than 612 millions of dollars in the past fiscal year. Approximately two-thirds of this amount was for weapons and other military supplies needed by our allies for their defense forces. The other third—some 200 millions—was for supplies and services needed for our own U.S. troops stationed in Europe.

All of the military equipment portion of the program, as in the previous years' programs, will be turned over to our defense partners to assist in the buildup of their armed forces. This U.S. assistance to our European allies is providing a vastly increased measure of security to all of the free nations of the world by increasing the capabilities of our partners to defend our common freedoms—ours as well as their own.

The 612 millions of dollars' worth of orders placed in the fiscal year 1954 are in addition, of course, to the \$2,660,000,000 in orders similarly placed during the preceding 2 years, from which a steady flow of deliveries is now being received.

Thus, in the past 3 years under the mutual defense program, we have contracted with Western European industry and suppliers for more than three and one-quarter billions of dollars' worth of supplies and equipment—two and one-half billions in defense equipment to strengthen the armed forces of our allies, and three-quarters of a billion in supplies for our own troops, the latter including substantial quantities of foodstuffs for our forces.

Industries in all the NATO countries and several of the non-NATO countries share in these orders in such manner as to spread their benefits into every part of the countries' economic and defense structure. The procurement of agricultural products results in favorable effects on that segment of the European economy. Industries receiving contracts bring literally thousands of other factories and suppliers into the work under subcontracts so that vast numbers of skilled workmen are employed in the manufacturing processes.

And as all of these factories and workmen become skilled in the manufacture of specialized defense items, the defense-production capacity of our partners in the Western alliance is greatly expanded—one of the precise purposes of the American Congress in bringing this program into being.

There is no doubt that these economic and defense benefits are being realized. The steadily in-

creasing flow of deliveries under the contracts placed during the past 3 years provides convincing proof of it.

Of the two and one-half billion dollars of orders we have placed for ammunition, aircraft, ships, electronic equipment, combat vehicles, and other defense materials for our allies since July 1, 1951, we have received delivery on about 617 million dollars' worth—about one-fourth of what we have ordered. We have paid out some 672 millions of dollars—that is, paid outright for everything that has been delivered and in addition have made some progress payments on certain expensive units such as ships, which a contractor himself cannot be expected to finance alone.

This leaves about \$1,880,000,000 worth of military items still to be delivered and paid for. These deliveries and payments, under orders already placed, will be continuing for the next 2 years—and more in some cases.

Right now, our dollar payments for these military-equipment items are running at the rate of about 60 millions of dollars per month. Add to this the 21 millions we are spending each month for supplies for our own troops, and we find that the total dollar payments under this program in all our allied countries of Western Europe are running at the rate of 81 millions of dollars per month. For your convenience, I have had all of these figures prepared on a country-by-country basis. This summary will be available to you when we conclude here.

I am convinced that our offshore procurement program is achieving the purposes for which it was intended.

First, it is supplying essential items for the time-phased defense programs of our allied countries.

Second, it is strengthening the European defense-production facilities and resources with the result of broadening Western Europe's industrial mobilization base—so important to us all.

Third, it is providing dollar exchange to Europe with resultant strengthening of the economies of our allies which is so necessary to the buildup and continuation of their own defense strength.

And finally, it is assuring our allies that the United States, as one of the partners in the great European defense alliance, is working vigorously to further the military, economic, and political objectives of the North Atlantic Treaty Organization.

STATISTICAL REPORT 2

Offshore procurement contracts totaling \$612,-050,000 were awarded in the fiscal year ending June 30, 1954, by the subordinate commands and agencies of the United States European Command.

Of this total, \$394,950,000 was in the form of 439 contracts for military supplies and equipment under the Mutual Defense Assistance Program and \$217,100,000 was in orders for supplies, services, and equipment in support of U.S. troops and installations in Europe.

Of the overall total, the U.S. Army, Europe, headquarters at Heidelberg, Germany, placed orders for \$298,060,000; the U.S. Air Forces in Europe, through its Wiesbaden headquarters, placed orders for \$187,100,000; the U.S. Naval Forces, Eastern Atlantic and Mediterranean, with

headquarters at London, placed orders for \$63,-580,000; and the Joint Construction Agency, through its Paris headquarters, placed contracts valued at \$63,310,000.

Major items of purchase and their approximate values were:

Ships and equipment	\$26, 560, 000
Ammunition	147, 000, 000
Aircraft and equipment	103, 000, 000
Construction	68, 000, 000
Subsistence	43, 000, 000
Tanks and automotive	37, 760, 000
Electronic, communications equipment	35, 650, 000
Maintenance and repair	30, 720, 000
Weapons (arms-artillery)	21, 650, 000
Building supplies	7, 040, 000
Fuels and lubricants	4, 510, 000
Miscellaneous and actions under \$10,000	60, 860, 000

The contracts and orders were placed in all of the 11 European NATO countries and in 7 non-NATO countries.

2 Released at the Headquarters of the U.S. European Command on Oct. 4.

Country	Total Contracts Awarded (MDAP and Troop Support)	Deliveries (MDAP)	Payments Made (MDAP)	Total U.S. Troop Support Orders Placed	Approximate Current Monthly Rate Payments (MDAP and Troop Support)
NATO					
Belgium	\$190, 910, 000	\$13, 410, 000	\$13, 400, 000	\$48, 150, 000	\$2, 337, 000
Denmark	52, 670, 000	110, 000	2, 340, 000	36, 020, 000	1, 400, 000
France	1, 335, 630, 000	357, 420, 000	389, 800, 000	295, 140, 000	42, 019, 000
Greece	35, 000, 000	4, 740, 000	4, 740, 000	None	1, 000, 000
Italy	490, 400, 000	98, 910, 000	115, 310, 000	34, 750, 000	8, 965, 000
Luxembourg	1, 240, 000	370, 000	370, 000	480, 000	33, 000
Netherlands	121, 890, 000	10, 130, 000	15, 810, 000	42, 820, 000	3, 189, 000
Norway	27, 960, 000	4, 780, 000	4, 780, 000	530, 000	1, 614, 000
Portugal	21, 890, 000	None	460, 000	3, 620, 000	300, 000
Turkey	9, 360, 000	None	None	None	500, 000
United Kingdom	749, 570, 000	117, 300, 000	117, 990, 000	114, 350, 000	15, 176, 000
Total	\$3, 036, 520, 000	\$607, 170, 000	\$665, 000, 000	\$575, 860, 000	\$76, 533, 000
Non-NATO					
Germany	\$75, 910, 000	\$6, 070, 000	\$6, 680, 000	\$56, 810, 000	\$2, 978, 000
Spain	13, 570, 000	None	None	200, 000	305, 000
Switzerland	88, 930, 000	3, 920, 000	860, 000	45, 070, 000	4, 251, 000
Yugoslavia	15, 810, 000	320, 000	320, 000	320, 000	590, 000
Austria	16, 990, 000	None	None	16, 990, 000	471, 000
North Africa	13, 350, 000	None	None	13, 350, 000	471, 000
Sweden	4, 270, 000	None	None	4, 270, 000	118, 611
Others	7, 160, 000	None	None	None	None
Total	\$235, 990, 000	\$10, 310, 000	\$7, 860, 000	\$137, 010, 000	\$9, 084, 000
Total NATO and Non-NATO	\$3, 272, 510, 000	\$617, 480, 000	\$672, 860, 000	\$712, 870, 000	\$85, 617, 000

The orders for the \$394,950,000 in military equipment under MDAP were placed in the several countries as follows:

(In millions of dollars)

<i>NATO countries</i>	<i>Total (MDAP only)</i>
Belgium.....	37.67
Denmark.....	1.34
France.....	22.34
Greece.....	1.06
Italy.....	93.18
Netherlands.....	2.54
Norway.....	4.93
United Kingdom.....	192.58
Turkey.....	.87
Luxembourg.....	.23
Total.....	356.74
<i>Non-NATO countries</i>	<i>Total (MDAP only)</i>
Germany.....	7.76
Spain.....	10.64
Yugoslavia.....	13.76
Switzerland.....	6.05
Total.....	38.21
Grand total: NATO and non-NATO.....	394.95

The fiscal year 1954 contract total of \$612,050,000 brings the total of contracts let under offshore procurement since the beginning of the program in fiscal 1952 to \$3,272,590,000. Of this total, \$2,552,780,000 was for military supplies and equipment for our partners and allies under MDAP and \$719,810,000 was for supplies, equipment, and services in support of U.S. military forces in Europe.

In the MDAP portion of the program, the U.S. has received delivery on \$617,480,000 of the total of \$2,552,780,000 in orders placed and has actually disbursed \$672,860,000 in payment for these items and advances to contractors on goods yet to be delivered.

These payments for MDAP items and for goods and services for U.S. troop support are currently running at the rate of approximately \$85,000,000 per month.

The accompanying table³ gives the total contracts awarded (MDAP and U.S. troop support) by countries for the 3 fiscal years 1952-53-54, totals of deliveries and payments for the period, total U.S. troop-support orders placed, and the current approximate rate of monthly payments by the United States on deliveries, by countries.

³ See preceding page.

Secretary Dulles Reconvenes Public Committee on Personnel

Press release 551 dated October 4

The Department of State announced on October 4 that Secretary Dulles had asked the Public Committee on Personnel to reconvene on October 11.

The purpose of the meeting is to consult with the Secretary on the Department's progress in carrying out recommendations for strengthening the Foreign Service made by the Committee last May. The Secretary announced his action on these recommendations on June 15.¹

Mr. Dulles is taking the unusual step of reconvening the Committee in order that he may receive from its members an evaluation of the actions taken by the Department to date, and also to obtain the benefit of their views about the administrative measures already taken or still necessary to take in launching the program.

The Committee was established March 5 by the Secretary to study and advise him on measures necessary to increase the effectiveness of the career service to meet the vastly increasing responsibilities in the field of foreign policy which have devolved upon the President and the Secretary.

Its members are:

Norman Armour, former Assistant Secretary of State, former United States Ambassador to several countries, and recently appointed Ambassador to Guatemala;

John A. McCone, president, the Joshua Hendy Corporation, Los Angeles;

Robert Murphy, Deputy Under Secretary of State;

Morehead Patterson, chairman and president, American Machine and Foundry Company, New York, 1954 Chairman of the U.S. Committee for U.N. Day, and recently U.S. Deputy Representative to the U.N. Disarmament Commission;

Donald Russell, president of the University of South Carolina and former Assistant Secretary of State;

Charles E. Saltzman, general partner, Henry Sears and Company, New York, on temporary leave of absence while serving as Under Secretary of State for Administration;

John Hay Whitney, senior partner in J. H. Whitney and Company, New York;

Dr. Henry M. Wriston, president of Brown University.

Dr. Wriston serves as Chairman of the Committee. The Vice Chairman is Mr. Whitney.

The plan which they presented to the Secretary

¹ BULLETIN of June 28, 1954, p. 1002.

embodied an immediate program for strengthening the professional service, as well as a long-range method of maintaining a high-caliber Foreign Service. Key recommendations were:

1. Integration of the officers of the Departmental home service and the Foreign Service performing similar foreign affairs duties.
2. The bold and imaginative recruitment and scholarship program whereby the Foreign Service would obtain a constant and adequate flow of qualified young men and women representing the best cross section of American life.
3. Provision for continuity and vigor in the administrative leadership of the Department, thereby to assure the consistency and stability of

personnel policy vital to effective administration.

The majority of the Committee's recommendations are being put into effect under the authority of the Foreign Service Act of 1946. Some aspects of the program require additional legislation, a portion of which was requested from and granted by the 83d Congress.

A complete review of the various steps which have been taken in this integration and recruitment program will be given to the Committee by the Secretary.

Mr. Saltzman, who served on the Committee, was made Under Secretary of State for Administration in June. He has a special responsibility to implement the recommendations of the report.

Problems in the Far East

by Everett F. Drumright
*Deputy Assistant Secretary for Far Eastern Affairs*¹

Since the days 400 years ago when contacts were first established between the West and the East on a more or less regular basis, the East has been an area of weakness—of weakness, that is, relative to the West. It had lagged behind the West in invention and in material development, especially in weapons and the art of war. Its systems of government were backward by European standards. In modern terms, we should speak of the East of several centuries ago as compounded in part of stagnation and in part of disorder. We should say that it constituted a huge power vacuum. To point this out reflects no discredit upon the Asian peoples. All peoples have their ups and downs. In the past, in the dark ages, Europe had been weak; Asians had poured into Europe from the East, Arabs into Europe from the South. Sooner or later, power vacuums—like climatic low-pressure areas—become filled from the outside. Following the arrival of the first Europeans

in the East, the history of the East has been, until comparatively recent years, largely a history of the assertion of power in the East by outsiders—Portuguese, Spanish, Dutch, French, British, Russians, and Americans.

If the West took a great deal out of Asia, the West also brought a great deal to Asia. Among other things it brought the Asians a picture of a more rewarding material life than they had ever dreamed of—the life that the West had achieved for itself through scientific and industrial progress. It also brought ideas—ideas about justice and human worth and the idea of nationalism. The West aroused in the East a determination to achieve some things that the West had achieved. Western ascendancy in the East made it inevitable that Western ascendancy would come to an end.

The United States has with consistency given sympathy and tangible assistance to the Asians in their desire to be free of foreign controls and to achieve a more rewarding life. For one thing, we have not forgotten our own colonial background

¹ Made before the Board of Directors of the National Chamber of Commerce, Washington, D.C., on Sept. 17.

and our successful fight for independence. For another, we are believers in progress, in man's ability to achieve mastery of his physical environment. Thirdly, we have not wished to see the Asian countries closed to our missionaries and our traders. Finally, we have recognized from the very beginning of our intercourse with the East that the incorporation of Asia under a hostile imperialism would threaten our security in the Pacific.

It is fair to say that opposition to imperialism has been the foundation stone of our policies in Asia. It is true that we supplanted Spanish rule in the Philippines with American rule, but we employed our privileged position in the islands to prepare the Filipinos for self-government, which we gave them in 1946. Half a century ago we acted to prevent the carving-up of China by the great powers with our enunciation of Hay's "Open Door" policy. Thirteen years ago we found ourselves involved in a life-and-death struggle in the Pacific because we would not acquiesce in the dismemberment of China. That time, the imperialist power was an Asian power—Japan—which had mastered the technology of the West and was determined to use it to supplant Western hegemony in Asia with its own rule. We defeated Japanese imperialism but not before two things had happened that made the restoration of European rule in the former Asian colonies a thankless proposition. First, Asia had been fired by the spectacle of the defeat of Western armies by other Asians. Second, Japanese arms by the hundreds of thousands fell into the hands of the insurrectionists. And, it should be pointed out, the Western powers no longer had much desire to maintain rule by force over embittered and resentful Asian populations.

Rise of Communist Imperialism

The achievement of freedom by nine Asian countries in the postwar years has been one of the great historical phenomena of our lifetime. Unfortunately, it has been accompanied by another phenomenon scarcely less significant with which Asian independence is clearly irreconcilable. This has been the emergence of a new imperialism in Asia. Again, as in the case of the Japanese empire, the weapons of this new imperialism have come from the West and been adopted by an Asian power clique. The literal weapons have come

from arsenals in European Russia. The origin of the ideological weapons may be pinpointed to a bearded habitué of the reading rooms of the British Museum of 100 years ago—Karl Marx. What happened in Russia nearly 40 years ago has within the last few years happened in China—Communists have taken over the country. A centralized and ruthless dictatorship has been imposed upon the Chinese people. The other peoples of Asia have been confronted by the menace of a new imperialism as aggressive as any in the past, and far harsher and more unequivocally totalitarian than any they have ever known. It is an imperialism which is not only strong in its own right by virtue of its ironclad control of more than 400 million Chinese but is dedicated to international communism and thus united with the power of the sprawling Soviet state.

What makes the menace of Communist China, like the menace of Soviet Russia, particularly difficult to deal with is the manifold nature of the threat it presents. On the one hand Communist China and the Soviet Union have the most numerous armed forces in the world with which they can intimidate their neighbors and with which they could unquestionably overrun considerable territories before counteraction could be effective. On the other hand, the Communists have acquired considerable proficiency in gaining their ends by political methods. These methods consist of making common cause in non-Communist countries with important protest groups for the purpose of channelizing behind the Communist Party the various elements of discontent with, and rebellion against, the existing order. This is known as the strategy of the united front.

As between winning other peoples by force and winning them by getting on their good side, there is obviously some contradiction. It is difficult to employ both methods at once with great effect. In actual practice, the Communists are inclined to alternate their methods, shifting from one to the other according to the situation and requirements of the moment. The immediate postwar years were, in the Far East at least, years of the united front. The Communists tried to identify themselves with the most popular causes and movements in Asia. But then in 1948 the decision was handed down by the international Communist leadership to resort to force against the weaker non-Communist regimes in the Far East. Warfare was launched against the governments and anti-

Communist elements of the Philippines, Burma, Malaya, and about a year later, against the Republic of Indonesia. The most daring and cynical employment of force by the Communists came in June 1950 with the overt attack on the Republic of Korea.

The shift in grand strategy, of which I have spoken, did not apply to China and Indochina. There, the Communists seemed to have concluded—not without reason—that they had hit upon a winning formula which did not need to be changed, a combination of political and military methods that promised to pay off.

In China, the disastrous weakening of the control exercised by the National Government and the general impoverishment and despair, basically resulting from the war with Japan, conspired powerfully to the advantage of the Communists. In Indochina, it was the effort of the French to re-impose their rule by force that gave the Communists their opportunity. Achieving a strong political position by seeming to offer a sorely tried people those things which they most desired—peace and stability in one case, relief from foreign rule in the other—the Chinese Communists and Vietnamese Communists were able to amass decisive military forces on their side.

Return to Strategy of United Front

The truce in Korea and the truce in Viet-Nam appear to have signalized another broad change in Communist strategy, the second since World War II. We now appear to be returning to the strategy of the united front, in which military action will be played down and the Communists will seek to pose as the righteous champions of long-suffering peoples everywhere. This does not mean that we can afford to let down our guard in anticipation of a period of peace. The Communists are always capable of quickly reversing their strategy when they perceive that it is to their advantage to do so. At present, however, the Communists appear to be planning their major efforts in the political fields in the Far East with the primary objective of creating disunity among their adversaries, particularly by arousing fear, suspicion, and resentment of the United States, and by playing upon local grievances to achieve this objective. Accordingly, this is what we shall have to expect in the foreseeable future:

1. In Japan, the Communists will attempt to take advantage of the frictions always resulting

from the presence of foreign troops to create and intensify anti-American feelings. They will exploit Japanese fears of being caught in the atomic crossfire of another world war in order to neutralize Japan. They will seek to dominate Japanese labor, utilizing techniques found effective in other industrial countries. They will wait for Japan's economic position to worsen, as it surely will unless wider markets are found for Japanese exports, and if their hopes for Japan's economic collapse prove justified, the Communists will use the situation to discredit the moderate democratic elements and to promote Japanese trade with mainland China as a means of obtaining Japan's economic tie-in with the Moscow-Peiping bloc.

Department Publishes Documents on Korean Problem

The Department of State this month released a 193-page publication entitled *The Korean Problem at the Geneva Conference, April 26-June 15, 1954*, containing a brief narrative account of the Korean phase of the Geneva Conference and texts of the principal statements and proposals made by representatives at the Conference. The major U.N. resolutions relating to Korea also are included. Copies are for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C. (60 cents).

2. In Korea, the Communists would seem to have eliminated any possibility of posing as friends of the Korean people or of being accepted as champions of any popular Korean causes. We must not be too sure of this, however. When a country has suffered such devastation as that which was brought upon Korea, opportunities for subversion and for proselytizing extremist doctrines are enhanced. Moreover, we must not forget that the Communists have the power to give the Koreans, for a price, what they most desire: unification. We must also not forget that President Rhee virtually is the government of the Republic of Korea. Whether any of his possible successors would have sufficient national stature and support to be able to hold the country together, under circumstances of adversity, we cannot know.

3. In Viet-Nam the danger, of course, stares us in the face. The Viet Minh—the Communist regime administering north Viet-Nam under the Geneva settlement—has an organization tempered in the fires of 8 years of war. It has a record of fanatical opposition to French domination. For

years it was synonymous with national independence in the eyes of large numbers, if not the majority of Vietnamese, south and north. It has its indoctrinated partisans throughout south Viet-Nam. Both as a Vietnamese political force and a Vietnamese military force, it will not be easy for anti-Communist Vietnamese to match.

4. Southeast Asia as a whole offers a varied field for Communist enterprise. Each country has its vulnerabilities. There are subnationalist or regionalist movements, as among the Karens in Burma and the Atjinese in Indonesia, which have led to civil war. There are religious movements to cause disorders such as the Moslem Moros in the Philippines and the Darul Islam which seeks to make a theocratic state of Indonesia. There are deficiencies in government services, resulting from lack of experience, that weaken the government's position and its support and play into the hands of profiteers in popular dissatisfactions. There is lack of capital for economic development that results in economic stagnation and potentially dangerous feelings of frustration, particularly among the educated classes—always the tinder of a revolution. There are the consequences of falling prices of Southeast Asia's chief export products—rubber, tin, rice, vegetable oils. There is the legacy of bitterness toward the West which makes it difficult for former colonial peoples to see Western policy as having any other objective than the economic, if not the political, domination of their countries and which makes it difficult for the West effectively to assist the Southeast Asians in a solution of their problems. There is the natural disposition of peoples whose experience with capitalism, domestic as well as foreign, has not been happy, to look to the doctrines of Marx as the answer to their needs. There is the spectacle of the Soviet Union which—to hear the Communists tell it—rose in a single generation from serfdom and national impotence to a position of first-rate power in the world without the help of the greedy capitalists who now look upon it with as much fear as hatred. There are the Chinese in the Southeast Asian countries, totaling over 10 million, outnumbering the indigenous inhabitants of Singapore and Bangkok—Chinese whose self-interest and sense of race and culture necessarily to some extent tend to turn them toward Peiping as the capital of China proper.

Throughout the Far East—as indeed throughout

the world—there is the passionate desire for peace upon which the Communists can play. Controlling all means of communication within their world, the Communists are able to conduct their own military preparations in the dark while seizing every opportunity to denounce every defense measure on the part of the free nations, and of the United States in particular, as an aggressive act aimed at the destruction of the workers' paradise by the imperialist war-mongers of Wall Street. Manipulating every means of expression in their world, the Communists are able to fill their press with eulogies of peace while castigating, as a demonstration of belligerency and aggressiveness, every just warning of Communist intentions by spokesmen for the free nations—Americans in particular.

That, in brief, is the problem we face in the Far East—that and the enormous mass of infantry on the other side of the iron curtain in China, north Viet-Nam, North Korea, and Soviet Siberia, the thousands of planes in the Communist air forces in the Far East, the large Soviet submarine force based on Vladivostok.

What We Must Do

Because the subject I was given was our problems in the Far East, I have not planned to expatiate upon our policies. I believe it is clear what general line these policies must take. We must match the military strength of the Communists, not necessarily weapon for weapon, but in total effectiveness. By "we" I mean the United States and its allies. We must help the Asian states develop the military power to cope successfully with internal rebellion and to make an aggressor deploy a major force in order to invade successfully—thus creating the basis for international action against him. The first-rate military forces we have helped develop in the Republic of Korea and the Republic of China are examples of what can be done. In addition, I would call your attention to the newly signed Southeast Asian Collective Defense Treaty.² This treaty, together with the security treaties we have entered into with Japan, Australia and New Zealand, the Philippines, and the Republic of Korea, demonstrates that the Communists cannot expect to pick off the free nations of the Far East singly and with impunity.

² BULLETIN of Sept. 20, 1954, p. 393.

We must help the Asians create societies that function with reasonable efficiency and not offer the Communists a vital lodgement from which the whole structure can be subverted. This we are doing through a great variety of technical aid programs and, in the case of Korea and Formosa, through very substantial programs of reconstruction and development. Perhaps the most important thing we can do to create economic health in the Far East is to help remove barriers to trade among the Far Eastern countries—particularly between Japan and Southeast Asia—and between the Far Eastern countries and the rest of the free world. Above all, markets must be developed for greatly increased Japanese exports. This means finding a larger market in the United States as well as in other countries.

We must give the Asians every opportunity to come to a realistic appreciation of the Communist danger and of what the United States stands for and what it is trying to achieve. Our present widespread information programs and the facilities we have offered to enable Asian students and leaders to study and travel in our country are sizable steps in the right direction, but I am not sure that they go far enough.

We must convince the Asians that we are wholly behind them in their desire to achieve and maintain independence. This is not as easy as it sounds when our efforts to make sure that the material aid we give is effectively utilized and our efforts to develop collective resistance to aggression in Asia are both apt to be interpreted as interference in the domestic affairs of Asian countries. It is made more difficult when the exigencies of the cold war sometimes seem to put us in the position of defending colonialism. Nevertheless, our record is a good one and we should be able to build on it with confidence. The Pacific Charter,² which was signed at Manila at the same time as the collective defense pact and which pledges the signa-

tories to uphold the principles of equal rights and self-determination of peoples, is a guaranty to the Asians of our intentions and of those of our French and British allies.

We must make the Asians understand that what we want in the world is very similar to what they want, that in the main their aspirations and ours are not very different, that what we have to offer is something that they can respect, and that our strength means greater security for them. This is something that the American people must accomplish through their agencies of expression—magazines, books, newspapers, motion pictures—and through their unofficial representatives overseas, by whom the United States is more often judged than by its official representatives.

Above all perhaps, the Asians must understand that the objective of our policy and our power is peace. This necessity imposes an obligation upon all of us—the obligation to remain strong and alert as a nation without indulging in the kind of warlike and boastful talk that seems to make it easier for a democracy to accept the sacrifices required for military preparedness.

If I have devoted so much more time to our problems in the Far East than to what we are doing to meet them, it is not because I think our problems are greater than our resources for dealing with them. Quite the contrary. The Communists have enjoyed only two major successes in the Far East: one in China, one in Viet-Nam. In both cases their success arose from the conditions of a foreign occupation and of a long and generally unsuccessful effort on the part of nationalist forces to expel the foreigner. For the rest, the Communists' hopes have been disappointed in one Far Eastern country after another. If the Communists have twice reversed their grand strategy, it is because their grand strategy has not succeeded as they expected. It is well within our power to insure that it never will.

The Concept of Self-Determination in American Thought

by *Walworth Barbour*

*Deputy Assistant Secretary for European Affairs*¹

This gathering, dedicated to a free life for the peasant farmers of Eastern Europe, is an appropriate one at which to make a few remarks about the principle of freedom, or more particularly of self-determination, in the American approach to world affairs.

In the 18th century the American colonists began a revolution that continues until this day. Its purpose was the winning of freedom and national independence, and its fruit was the shaping of democratic institutions to make that freedom and independence a living reality. Like the French Revolution, the American Revolution belonged to the great democratic movement which has had its local manifestations in the various countries of the free world. You will doubtless agree that this democratic movement, exalting individual rights, human dignity, and national independence, is the true revolution of the modern age—not the Communist-proclaimed revolution, which looks backward to the concepts of the absolute power of the state, the collectivistic organization of society, and the maintenance of imperial dependencies through the Communist mechanism. The democratic revolution will survive, spread, and invigorate the nations of the modern world long after the deadening dogmas underlying the Communist system have passed into limbo.

Whatever the virulent attacks of Communist propaganda may say to the contrary, the furtherance of freedom and self-government has been the central motivating influence in American political behavior both at home and abroad ever since our

birth as a nation. In asserting our independence we affirmed that government derives its just powers from the free consent of the governed. The people of the United States established the Constitution in order, among principal purposes, to “secure the blessings of liberty to ourselves and our posterity.” Since that time the American partiality for this phrase is evident in its frequent utterance in public speeches. It never fails to strike a responsive chord in an American audience. The American continues to believe that a test of a good commonwealth is whether it makes possible such blessings for its citizenry.

It was natural that this valuation of freedom should be strongly held during the early years of the Republic, when we were endeavoring to complete the process of securing independence from Europe. As Washington affirmed in his Farewell Address, “Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.” Later this country passed through the ordeal of a long and bitter civil war in which the issues were freedom and self-government as each side conceived them. Abraham Lincoln, the Great Emancipator, guided the course of this conflict in order to preserve a Union based upon government by the people and for the people.

Participation in World Affairs

In the 19th century Americans lived much to themselves within the limits of this continent. When the changing world of the 20th century impelled us to a greater concern with distant neighbors, this devotion to freedom which had so long animated the pursuit of our domestic affairs was

¹Address made before the Fourth Congress of the International Peasant Union at New York, N. Y., on Oct. 3 (press release 546 dated Oct. 2).

carried over into the more active American participation in world affairs. The new order of society envisaged by President Woodrow Wilson as the "new freedom" extended to the international sphere as well as to national problems. He was as ardent a champion of the freedom of nations as he was of social reform at home. He led the American nation in a great war "for the rights of nations great and small and the privilege of men everywhere to choose their way of life and obedience." The world was not only to be made safe for democracy by the successful termination of the war. The peace that followed was to be "planted upon the tested foundations of political liberty." The principle of self-determination was fundamental in the Fourteen Points, and in the final point of this program for the peace he foresaw an association of nations to afford mutual guarantees for the political independence of both small and great states.

In disposing of the wreckage of three empires in Central and Eastern Europe the peacemakers of 1919 concluded in his view "a people's treaty, that accomplishes by a great sweep of political justice, a liberation of men who never could have liberated themselves, and the power of the most powerful nations has been devoted not to their aggrandizement but to the liberation of people." He conceived of article 10, pledging a member of the League of Nations to respect and preserve the territorial integrity and political independence of every other member against external aggression, as the heart of the League Covenant. This provision was for him a recognition of the sacredness of the principle of self-determination.

The central theme of freedom in the American approach to the world was reiterated by President Roosevelt in the Four Freedoms speech of 1941. It may be recalled that in this speech devoted to foreign affairs the President was looking forward to a "world" founded upon what he regarded as four essential human freedoms.

The American heritage of freedom has made itself felt more recently in three international charters: the Atlantic Charter, the United Nations Charter, and lastly the Pacific Charter proclaimed at Manila by the eight states signing the Southeast Asia Collective Defense Treaty.

To turn to the last of these documents, we should bear in mind the extent to which the principle of

self-determination inspired the formulation of the Pacific Charter. The Pacific Charter states:

First, in accordance with the provisions of the United Nations Charter, they [the signatory powers] uphold the principle of equal rights and self-determination of peoples and they will earnestly strive by every peaceful means to promote self-government and to secure the independence of all countries whose peoples desire it and are able to undertake its responsibilities; Second, they are each prepared to continue taking effective practical measures to ensure conditions favorable to the orderly achievement of the foregoing purposes in accordance with their constitutional procedures.²

The great importance of this document is its application to all areas including underdeveloped or colonial areas. It expresses clearly the American desire to see the principle of self-determination extended throughout the world wherever a people desires and is prepared to assume the responsibilities of an independent national existence. As Secretary Dulles suggested in his address of September 15 on the Manila Conference, "The Pacific Charter, on which the East and the West did meet, may well prove to be the most momentous product of the Conference."³

These examples are sufficient to suggest the cardinal importance of the concept of self-determination in American thought about the relations of the United States with other nations. No one should neglect or minimize the significance of this article of American faith common to both our major political parties and to all representative American bodies. Imperfect as our efforts may occasionally have been as to international developments in relation to this principle, we have nevertheless striven for this goal, and it serves as a touchstone by which we judge the enduring value of international acts.

To proceed to the more practical consequences of this idea, we pursue the principle of self-determination as regards the internal life of nations with a view to the people of each nation having the right to enjoy government and other institutions of their own choosing as soon as they are prepared to conduct such institutions in an orderly, peaceful, and stable manner. We believe that each nation should be free to change its form of government and, in accordance with its law, its current executive and legislative officers whenever the change actually represents the will of the people; that the nation should have the right freely

² BULLETIN of Sept. 20, 1954, p. 393.

³ *Ibid.*, Sept. 27, 1954, p. 433.

to establish its own body of law and system of courts. We oppose any system of government or group of rulers imposed on a nation against its will. Each nation should have the freedom to determine its own economic institutions. This does not mean, of course, that we Americans are not firmly convinced as a people that a system of free enterprise offers the best hope of a dynamic economy and widely distributed prosperity. In the social and intellectual sphere the press, educational and cultural institutions, and religious organizations should be free to function in accordance with popular wishes. It should be stressed that this conception of self-determination is not to be confused in any way with what the Soviets under Stalin tried to pass off as self-determination among national minorities—that is, a limited possibility for an ethnic group to express its own cultural interests, as by use of its own language and alphabet for local purposes, while remaining otherwise subject to the centralized, absolute power of Moscow.

Free Society of Nations

The objective of self-determination which we seek in the international field is a free society of nations where each may establish its relations with others on the basis of mutual interest, free consent, and the requirements of international peace. This implies that all nations should have the right to enter into such local, regional, and wider international arrangements and associations as will promote their mutual welfare without endangering that of nonmember nations. It presumes that all such arrangements and associations will of necessity be in accordance with the provisions of the U. N. Charter.

On the other and negative side, the United States can never concede that any state should be free to force on the people and territory of another state its political dominion, its occupying forces, or its control over the national economic and intellectual life. Where self-determination fully governs the relations of nations there can be no room for one state to bring about the subversion, subjection, and exploitation of another, whatever concealed instrumentalities may be utilized for this purpose. The United States is dedicated to working toward the creation of a world where the ex-

tension and maintenance of such dominion is impossible.

I know you members of the agrarian parties from Central and Eastern Europe are more immediately interested in how we Americans see the application of this principle of self-determination to your homelands. It is clear to the world that the present regimes in your countries are imposed by a foreign power against the opposition of the overwhelming mass of the population in each state. There can be no doubt that if Soviet military and police power—and the Communist terror supported thereby—could be rolled back, these regimes would quickly fall. Since we are devoted to the principle of self-determination, we cannot be reconciled to the regimes in your countries. We cannot adjust to their totalitarian practices and their denial of human rights. We cannot grow accustomed to their willingness to make their countries the subservient tools of a foreign power.

We know that these regimes cannot last, for the freedom they lack is inherent in the human spirit. Sooner or later they must change or fall. These alien, hated tyrannies cannot endure as they are; they cannot solve the problems confronting them; they cannot satisfy the needs of the people; they cannot make for a stable Europe or a tranquil world. They proclaim new courses which are only gestures, tactics, or ill-starred efforts to surmount rising difficulties. The fate of the peoples ruled by them is not finally determined.

It is our firm conviction that these Soviet colonies under totalitarian oppression are an historical anachronism in contemporary Europe. While they last, they cause misery to the captive peoples and by dividing Europe bring burdens and unsettlement to all of it. But the European community of free peoples will eventually triumph and absorb them. The logic of history is on the side of freedom and not on the side of the Communists. If there is any historical inevitability, it is that the Europe of self-determination will prevail over the Europe of historical materialism.

It is perhaps another inevitability in view of the basic trend of our history that when the United States looks to Europe its policy is to assist the progress of freedom. Believing that a union of self-governing nations will extend and secure freedom in Europe, our purpose, despite any temporary setback in a single field, is to cooperate with all the free nations of Europe in advancing

European integration in every way we can. We see the captive nations of Central and Eastern Europe as belonging to this unity. They belong now in spirit and to the extent possible through their free spokesmen in exile; eventually they will

come into their rightful place as equal members in the free community of Europe. Toward this full reunion of your countries with free Europe the United States is working constantly in every possible concrete way.

Presentation of Claim Against Soviet Government for Destruction of B-29 off Hokkaido in 1952

DEPARTMENT ANNOUNCEMENT

Press release 527 dated September 25

Ambassador Charles E. Bohlen delivered to the Soviet Foreign Office at Moscow on September 25 a note from the U.S. Government to the Soviet Government preferring a formal diplomatic claim against the Soviet Government on account of the destruction by Soviet aircraft of a U.S. Air Force B-29 aircraft off Hokkaido, Japan, on October 7, 1952.¹ The note demands that the Soviet Government pay damages in the sum of \$1,620,295.01 and invites the Soviet Government, in the event that the Soviet Government denies liability, to join in submitting this dispute to the International Court of Justice.

Ambassador Henry Cabot Lodge, Jr., was instructed to request the President of the U.N. Security Council to circulate the text of this note to the members of the Council. In a recent proceeding the Security Council considered another Soviet attack against a U.S. aircraft committed on September 4, 1954.²

In earlier interchanges of notes on the B-29 incident the Soviet Government contended that the incident took place near the Island of Yuri, which the Soviet Government claims had become Soviet territory by virtue of the Yalta Agreement regarding Japan of February 11, 1945.³ In the note

delivered today the U. S. Government repudiates the Soviet Government's construction of the Yalta Agreement regarding Japan and rejects the Soviet claim to any lawful territorial right to the Island of Yuri or to the Habomai Islands, of which the Island of Yuri is a component.

The note follows a thorough investigation, since the date of the incident, into the circumstances of the shooting and into the possibility that crew members survived and came into the custody of the Soviet Government.

The present note, based on the investigation, charges that the B-29 was shot down without warning over territory rightfully belonging to Japan and in which the U.S. aircraft were entitled to fly by the terms of the Security Treaty with Japan which came into effect April 28, 1952.⁴ It demands that the Soviet Government provide information with respect to the whereabouts and welfare of any surviving crew members and make provision for the prompt return of any survivors whom the Soviet Government may still be holding or of whose whereabouts the Soviet Government may be informed.

TEXT OF NOTE

EXCELLENCY: I have the honor to transmit to you herewith, upon the instruction of my Government, the following communication:

The Government of the United States of America makes reference to the destruction on October 7, 1952, by fighter

¹ For the Soviet note of Oct. 12, 1952, regarding the incident and the U. S. reply of Oct. 17, 1952, see BULLETIN of Oct. 27, 1952, p. 649.

² *Ibid.*, Sept. 20, 1954, p. 417.

³ *A Decade of American Foreign Policy, 1941-49*, S. Doc. 123, 81st Cong., 1st sess., p. 33.

⁴ BULLETIN of Sept. 17, 1951, p. 464.

aircraft of the Union of Soviet Socialist Republics, of a United States Air Force B-29 airplane near the Japanese Island of Hokkaido. It will be recalled that by notes dated October 17, 1952 and December 16, 1952,⁵ the United States Government, protesting the actions of the Soviet aircraft, requested the Soviet Government to make payment for the destroyed airplane and for the lives of any of the crew who might have perished, and further requested the Soviet Government to provide information on the whereabouts and welfare of any of the crew members who might have survived, with a view to their return to the United States.

The Soviet Government has not, in the period which has elapsed since December 16, 1952 when the last United States note was delivered to it, given any indication of the fate of the crew members of the B-29 shot down by the Soviet aircraft. As the United States Government reminded the Soviet Government in the note of October 17, 1952, witnesses actually observed a Soviet Government patrol boat leave Suisho Island, a point close to the spot where the B-29 was seen to go down, immediately after the shooting and proceed to the spot where the B-29 had hit the water, and some time later saw the boat return. The spot, the Soviet Government is further reminded, was in an area then and since freely accessible to Soviet Government personnel and in the vicinity of the area of Yuri Island which the Soviet Government in its own account of the episode, in its notes of October 12, 1952 and November 24, 1952, fixes as the area in which the episode took place. Therefore the United States Government could not, and cannot, accept either the Soviet Government's statement, in its note of November 24, 1952, that it possessed no information regarding the whereabouts of the members of the crew of the B-29 airplane or the Soviet Government's continued silence in regard to whether the Soviet Government has any information concerning the fate of any of the crew members, whether any are alive, and whether the Soviet Government proposes to make arrangements for their return. Nor can the United States Government acquiesce in the continued failure of the Soviet Government to give any indication of willingness to make amends for the damage it caused and for which it is responsible, in spite of the requests therefor in the United States Government's notes above described.

The purpose of the present communication is, in view of the foregoing, to place solemnly upon the record all the facts which the United States Government has been able to gather on the subject and based thereon to prefer against the Soviet Government a formal international diplomatic claim as set forth below.

I

The United States Government charges, and is prepared to prove by evidence in an appropriate forum, the following:

1. In the Treaty of Peace between the Allied Powers and Japan signed in the City of San Francisco September

⁵ For the Soviet note of Nov. 24, 1952, and the U. S. reply of Dec. 16, 1952, see *ibid.*, Jan. 5, 1953, p. 11.

8, 1951,⁶ provision was duly made, in Article 6 thereof, for the stationing and retention, under or in consequence of bilateral or multilateral agreements between Japan and any of the Allied Powers, of armed forces in Japanese territory following the termination of the occupation of Japan by occupation forces of the Allied Powers. On the same date the United States of America, as one of the Allied Powers to whom reference is made in the Treaty of Peace, entered into a Security Treaty with Japan by which Japan granted, and the United States of America accepted, the right to dispose land, air and sea forces of the United States in and about Japan upon the coming into force of the Treaty of Peace.

The Treaty of Peace with the Allied Powers and the Security Treaty between the United States of America and Japan came into force April 28, 1952, and thereupon the state of war between Japan and each of the Allied Powers terminated and the full sovereignty of the Japanese over Japan and its territorial waters was duly reestablished.

In pursuance of the Security Treaty and with the consent of the Government of Japan, the United States Government after April 28, 1952, maintained air forces and aircraft in and about Japan which engaged and continued to engage in such activities as were proper and necessary to provide for the defense of Japan and of the United States' forces maintained therein against aggression, and for the purpose of deterring armed attack upon them.

Before and on October 7, 1952, pursuant to the Security Treaty and agreements thereunder between the Government of Japan and the Government of the United States, regulations were in effect for Japan governing civil and military air traffic control and communications systems. To enforce these regulations and to maintain orderly traffic control over overflying aircraft, civil and military, appropriate United States authorities within Japan were, by the United States Government and with the consent of the Government of Japan, duly charged with the major responsibilities for the operation of the air traffic control system respecting civil and military aircraft and with the enforcement thereof. As was at all times well known to the Soviet Government, the applicable regulations required that all aircraft proposing to fly into the air space of Japan should make prior notification to appropriate air traffic authorities within Japan and particularly that any military aircraft proposing to fly into the air space of Japan should make prior application to appropriate control authorities within Japan and receive prior authorization for such flight.

2. In the morning of October 7, 1952, an unarmed United States Air Force B-29 airplane, No. 44-61815, bearing the identification call sign "Sunbonnet King", was duly dispatched from its base in the Island of Honshu in Japan, to perform a duly authorized flight mission over the Island of Hokkaido, Japan, and upon completion to return to its base. The dispatching of the B-29, its mission, and its activities thereafter were all in the pursuance of the duties and functions of the United States

⁶ *Ibid.*, Aug. 27, 1951, p. 349.

Government and the United States Air Force under the Treaty of Peace and the Security Treaty described above. Neither the dispatching nor the mission was intended or calculated to be, nor were the activities thereafter performed by the aircraft, in any way hostile to the Soviet Government or any other government, or directed against Soviet installations or personnel of the Soviet Government or any other government in any place.

The aircraft was manned by a crew of eight, all of them members of the United States Air Force and citizens and nationals of the United States of America. The aircraft commander was Captain Eugene Minot English, Serial No. AO 768042. The co-pilot was Second Lieutenant Paul Eugene Brock, Serial No. AO 2221927. The navigator was First Lieutenant John Robertson Dunham, Serial No. 20173 A. The other crew members were Staff Sergeant Samuel Albion Colgan, Serial No. AF 31379760; Staff Sergeant John Arthur Hirsch, Serial No. AF 19329704; Airman First Class Thomas Gerald Shipp, Serial No. AF 18365941; Airman Second Class Fred Grady Kendrick, Serial No. AF 14347294; and Airman Second Class Frank Eugene Neall, Serial No. 13394257.

3. Acting in compliance with their flight mission instructions, Captain English and his crew in the B-29 aircraft, "Sunbonnet King", after leaving the Island of Honshu, duly commenced flying over the Island of Hokkaido, beginning approximately 11 o'clock in the morning local time. At approximately 2 o'clock in the afternoon local time, while the B-29 was over the mainland of Hokkaido, flying at approximately 15,500 feet altitude, Soviet Government authorities having become aware of these facts deliberately dispatched two fighter aircraft to intercept the B-29 over Japanese territory, and continuing under the control of Soviet Government authorities, the two Soviet fighter aircraft thereupon deliberately flew in a course calculated to converge with the course of the B-29 and to intercept it. The two Soviet fighter aircraft were not notified in advance by Soviet authorities to the traffic control authorities in Japan, and they were without any license or authority whatsoever to overfly the territory of Japan. Nevertheless, the Soviet authorities then controlling the actions of the aircraft, and the Soviet pilots flying the aircraft, deliberately and willfully, unbeknown to the crew of the B-29 and with a calculated disregard of the sovereignty of Japan, of the position of the United States in Japan, and of the United States defense of Japan, and in violation of the air traffic control regulations lawfully in effect in and over Japan respecting overflight of the territory of Japan, directed the Soviet aircraft westward as described. At 2:15 p. m. local time the two Soviet fighter aircraft, so directed, reached a position in the air space of Hokkaido approximately thirty-two miles west from Yuri Island and six miles north of Nemuro Peninsula over the territorial waters of the Island of Hokkaido, substantially directly above the B-29's position, flying and continuing to fly at a height at which the crew of the B-29 could not then or thereafter observe the presence of the Soviet aircraft but at which the B-29 could be and was continuously observed by the pilots of the Soviet fighter aircraft and undoubtedly by the Soviet authorities controlling the pilots. Then the Soviet fighter aircraft, continuing to act under the direc-

tion and control of the Soviet authorities, proceeded to pace the flight of the B-29 from 2:15 p. m. local time to 2:31 p. m. local time, continuously hovering over the B-29, while the B-29 was engaged in innocent flight over the Island and adjacent waters of Hokkaido within Japan.

At approximately 2:29 p. m. local time the B-29, passing at the end of Nemuro Peninsula of the Island of Hokkaido, was in the process of effecting a normal turn for B-29 type aircraft, in order to enable the B-29 to fly westward and farther into the mainland of Hokkaido; in so doing it came over the water area adjacent to the tip of the Nemuro Peninsula close to the Nosappu Lighthouse there when, undoubtedly upon instructions from the Soviet controlling authorities, the pacing Soviet fighter aircraft dived from their high altitude, behind and unbeknown to the B-29 and its crew, and without any warning whatsoever opened fire on the B-29, with several deliberate and successive bursts. Simultaneously, likewise upon the orders of the competent Soviet authorities, in concert with the pilots in the fighter aircraft, Soviet personnel then stationed on the Island of Yuri east of the Nemuro Peninsula, opened fire upon the B-29 from the ground.

The B-29 was struck by the fire from the fighter aircraft, and by ground fire, was disabled and plunged into the sea, hitting the water at a point between Yuri Island and Akiyuri Island, southwest of Harukarimoshiri Island, all in territory rightfully belonging to Japan. The aircraft, broken up in several parts, exploded as the water was hit and floated as wreckage upon the surface of the water.

Shocked and unable to control the aircraft, the crew of the B-29 called out on voice radio on an international emergency channel that they were in extreme distress, and attempted to abandon the plane in the air. The United States Government has concluded, and charges, that some or all of the crew of the B-29 successfully parachuted to the sea at approximately the position where the aircraft hit the water.

Within a few minutes thereafter, and while the wrecked aircraft and its crew were still on the surface of the sea, a patrol boat belonging to the Soviet Government, upon orders of competent Soviet authorities, left the Island of Suisho, east of the Nosappu Lighthouse and northwest of the position where the B-29 was shot and came down, and proceeded to the scene of the wreckage. The United States Government concludes, and therefore charges, that this was for the purpose of picking up survivors and objects in the debris of the aircraft of possible interest to the Soviet Government. Undoubtedly having accomplished its mission the patrol boat then returned to Suisho Island. The United States Government concludes, and charges, that the Soviet Government's patrol boat did pick up items of interest to the Soviet Government as well as survivors still alive and bodies of other crew members, if dead. Undoubtedly the competent Soviet authorities in the area had and prepared a complete report which was thereafter undoubtedly duly submitted to the appropriate responsible authorities of the Soviet Government. The pilots of the Soviet aircraft involved in the pacing and shooting of the B-29 were, after effecting the destruction of the B-29 as above noted, the United States Government

concludes, and charges, undoubtedly recalled immediately by Soviet ground authorities to base, and thereupon undoubtedly submitted in due course to their superiors in the Soviet Government their reports of their conduct, and such reports, together with all additional reports from informed Soviet authorities in the area, were undoubtedly duly submitted to the appropriate authorities of the Soviet Government.

II

The Soviet Government in its note of October 12, 1952, and in its note of November 24, 1952, replying to the United States Government's note of October 17, 1952, willfully and knowingly made material misstatements of fact with the purpose of creating an untrue record and of misleading the United States Government. Among these misstatements are the following:

A. With respect to the note of October 12, 1952. The United States Government has already pointed out in its reply of October 17, 1952, respects in which the Soviet Government note of October 12 was false and misleading. The United States Government is prepared to prove by evidence in an appropriate forum in particular the following:

1. The note states that the "B-29 bomber violated the state frontier of the USSR in the area of Yuri Island". As the United States Government has frequently and consistently declared, the Soviet Government does not lawfully have a state frontier in the area of Yuri Island. The United States declares again that the territorial rights and sovereignty of Japan before, on and after October 7, 1952, extended and now extend north and east of the mainland of Hokkaido to include the island and area of Yuri and all of the Habomai Islands, up to and including the Island of Shikotan, and their territorial waters.

2. The statement that two Soviet fighters "demanded that the American bomber follow them for a landing to the nearest airdrome" is false and misleading and was known by the Soviet Government to be false and misleading when made. As above set forth, two Soviet fighters were directed to fly and had flown over the Hokkaido territorial waters to a point within the air space of Hokkaido more than twenty-five miles west of the tip of Nemuro Peninsula and deep within Japanese territory; had intercepted the flight path of the B-29, unbeknown to the B-29 crew, and hovering over it followed it around within Japanese territory for at least sixteen minutes, as above noted, knowingly traversing the land mass and adjacent territorial waters of the Nemuro Peninsula of Hokkaido. It is completely false that any communication was sent from the Soviet fighters or other Soviet source to the B-29 on any subject, and it is particularly false that the fighters or any other Soviet source made any requests or demand that the B-29 follow the fighters or that it land at any place, and no airdrome or landing place was ever pointed out to the B-29 by anybody. In fact, as described above, the Soviet fighters deliberately and unlawfully paced the B-29 within the Japanese air space of Hokkaido and then shot at it without any warning whatever and without even first making their presence known to the crew of the B-29.

3. The statement that the B-29 opened fire on the Soviet fighters is completely false and was known by the Soviet Government to be false when made. The only aerial firing which was done in the course of the incident was done by the Soviet fighters, which came out of their concealed positions and attacked and hit the B-29, still innocent of their presence or purposes; and in so emerging from the rear, the Soviet pilots contrived and calculated that the B-29 would have no opportunity for self-defense, even if its crew, contrary to the fact, were able to open defensive fire. Furthermore, the B-29 airplane had, prior to its departure from its base that morning, and in accordance with standard operating procedures, been rendered powerless to engage in effective combat by United States Air Force armorers at the base, and the aircraft remained thereafter continuously so powerless, for the mission of the aircraft was to be performed entirely within the territory of Japan with no reasonable ground for anticipation of meeting hostile or aggressive conditions.

4. The statement that the Soviet fighters engaged in "return fire" is false, and was known by the Soviet Government to be false when made. The only firing which was done was that of the Soviet fighters themselves, aided by a Soviet ground battery, and was all directed against the B-29.

5. The statement that the B-29 after being fired upon, "went off into the direction of the sea" is, except in the respect that the B-29 upon being shot down by Soviet fire fell into the sea at the position above noted, particularly false and was known by the Soviet Government to be false when made. The implication that the Soviet Government was unable to state what happened to the B-29 after it was hit by attacking fire is the more culpable in view of the fact that the destruction of the B-29 took place within the personal view of observing Soviet officials, and the wreckage was immediately visited and examined by the Soviet officials who were on board the patrol boat dispatched from Suisho Island to the scene of the crash, as above described.

B. With respect to the note of November 24, 1952. The United States Government has already in its reply of December 16, 1952, pointed out respects in which the allegations of this note were false. The United States Government is, in particular, prepared to prove by evidence in an appropriate forum the following:

1. The statement that the United States Government acknowledged in the note of October 17 that the B-29 was armed is false. The B-29 was at all relevant times unarmed, its guns having been rendered inoperative by its armorers, as stated above.

2. All the other statements which reiterate the false and misleading averments contained in the Soviet Government's note of October 12, are equally false and misleading, as noted above.

3. The statement that the Soviet Government is not in possession of any information regarding the whereabouts of the crew of the B-29 is false and known by the Soviet Government to be false. Apart from the observations of personnel whom the Soviet Government maintained, unlawfully, on Yuri Island and in that area, the

observations of the Soviet Government personnel on the patrol boat dispatched from Suisho Island, which the United States Government is prepared to prove by evidence as above noted, clearly gave the Soviet Government complete information on these subjects.

III

The United States Government finds, and charges, that the Soviet Government in the foregoing facts was guilty of deliberate and willful violations of international law on account of which it has become liable to the United States Government for damages and other amends:

1. It was unlawful for the Soviet authorities to have dispatched aircraft with intention and instruction to overfly the territory of Japan at any point without first notifying the competent authorities of the United States and receiving permission therefor, as required by regulations and international law.

2. It was unlawful for the Soviet military aircraft to overfly the territory of Hokkaido and to have tarried there, and in the circumstances particularly reprehensible and immoral for the Soviet authorities to conceal from the B-29 aircraft the presence of the two Soviet fighter aircraft over the territory of Japan and to intercept and to pace its flight over the territory of Japan, these being hostile and belligerent acts under international law.

3. It was specifically unlawful for Soviet authorities to have intercepted the B-29 aircraft in the course of the flight at any point, to have attempted to bring it down at any such point, even at the point claimed by Soviet authorities as "the region of Yuri Island".

4. Assuming, contrary to the fact, that the Soviet authorities had any legal justification for seeking to bring the B-29 down to land, these authorities willfully violated all applicable rules of international law, first, in that they failed to give to the B-29 and its crew any prior warning or any prior direction or request to land; secondly, in that they did not lead the B-29 or its crew to an appropriate landing field or point out such a landing field to them; thirdly, in that they did not in the circumstances described give the B-29 or its crew prior warning of intention to fire.

5. It was unlawful, regardless of prior warning or direction to land, for the Soviet authorities either in the air or on the ground to fire on the B-29 under the circumstances mentioned and in the area above mentioned.

6. It was unlawful for the Soviet authorities to have failed to respond truthfully to the United States Government's request of October 17, 1952 with respect to survivors; in particular it was the duty of the Soviet Government to inform the United States Government of the findings of fact reported or made by the patrol boat officers and by other local Soviet authorities. To the extent that it was determined by Soviet authorities that members of the crew were alive, it was the duty of the Soviet Government so to inform the United States Government and make arrangements for their return. On the other hand if any crew members were found to be dead it was the duty of the Soviet Government so to inform the United States Government and to make arrangements to make return of the bodies. It is still, and has continuously been,

the duty of the Soviet Government to keep the United States Government currently informed of all facts in Soviet possession concerning the crew members, to facilitate access to them by appropriate representatives of the United States Government, to arrange for their return and to provide them with the maximum degree of care and comfort in the interim.

7. It was unlawful for the Soviet Government to have retained any portion of the aircraft or the equipment thereon without the consent and agreement of the United States Government; and since no such consent or agreement has been granted by the United States Government it is the duty of the Soviet Government to return to the United States Government any portions of the aircraft or equipment thereon which were salvaged by the Soviet authorities. The United States Government demands that this return be made forthwith.

For all these violations of international law the Soviet Government is liable to the United States as set forth herein.

IV

The Soviet Government in its notes of October 12 and November 24, 1952 has made certain assertions with regard to an alleged state frontier of the Soviet Union in the area where the B-29 was shot down. The United States Government denies that these assertions are valid, and the United States Government is prepared to demonstrate the validity of its position by evidence and by considerations of international law in any appropriate forum.

In its note of November 24, 1952, the Soviet Government particularly states that the United States position that Yuri Island, at or east of which the Soviet Government apparently claims a state frontier of the Soviet Union, is not lawfully Soviet territory is "in crude contradiction with the provisions of the Yalta agreement concerning the Kurile Islands which was signed by the Government of the United States of America." The United States Government, reiterating its denial of validity to the Soviet Government statement, takes this opportunity to declare the following:

The United States Government is aware that military forces of the Soviet Government were physically present, together with their military equipment, on or near Yuri Island and in adjacent positions among the Habomai Islands on October 7, 1952, and prior thereto following the surrender of the Japanese Government to the Allied Powers. But this presence, in its origination and its continuance, and particularly after the effective date of the Treaty of Peace between the Allied Powers and Japan, April 28, 1952, was without any justification in international law or in morals, was in deliberate violation of the terms of the Japanese Surrender and of the agreement regarding surrender and occupation of Japan between the Soviet Government and the Allied Powers, gave the Soviet Government no legal right, title or interest in this area and provided the Soviet Government with no privilege or justification for the actions taken by it on October 7, 1952, against the B-29 and its crew, as described above.

More particularly, the United States Government states, in reply to the Soviet Government's assertions:

1. No disposition having the legal force and effect of alienating from Japan the Habomai Islands, including the area in which occurred the wrongful actions of the Soviet Government on October 7, 1952, as above detailed, has ever taken place. Such disposition could be made only by or with the consent of the Japanese Government, and no such consent has ever been given. The only renunciation by the Japanese Government of territory north of Hokkaido was by the Treaty of Peace between Japan and the Allied Powers of September 8, 1951, and in this document the Government of Japan did not relinquish Japanese sovereignty over the area involved in the acts of the Soviet Government complained of herein, nor does it confer or recognize any right in the Soviet Government with respect thereto.

The United States Government both on the occasion of the signing of the Peace Treaty and the Security Treaty and on the occasion of the consent by the United States Senate to their ratification by the President of the United States, as required by the Constitution of the United States of America, and the President by his ratification, made clear that the Habomai Islands were to be considered as continuing to belong to Japanese sovereignty. The United States Senate declared:

"As part of such advice and consent the Senate states that nothing the treaty contains is deemed to diminish or prejudice, in favor of the Soviet Union, the right, title, and interest of Japan, or the Allied Powers as defined in said treaty, in and to South Sakhalin and its adjacent islands, the Kurile Islands, the Habomai Islands, the Island of Shikotan, or any other territory, rights, or interests possessed by Japan on December 7, 1941, or to confer any right, title or benefit therein or thereto on the Soviet Union."

The Government of Japan has likewise officially characterized the Habomai Islands and Shikotan as remaining under Japanese sovereignty and as not included in the phrase "Kurile Islands" as used in the Treaty of Peace.

No other action or conduct by the Government of Japan, or by the United States Government or by the Allied Powers signatory to the Peace Treaty, has been taken which has the legal effect of transferring or consenting to the transfer of sovereignty over the area of Yuri Island and other Habomai Islands, or of Shikotan, to the Soviet Government.

2. The statement of the Soviet Government that the United States position that Yuri Island is not lawfully part of Soviet state territory is in "contradiction" with the "Yalta agreement concerning the Kurile Islands, which was signed by the Government of the United States of America" is untrue.

(a) The geographical name "Kurile Islands", in the context of the Treaty of Peace and in the context of the Yalta Agreement to which the Soviet Government refers, does not include and it was not intended by the parties thereto to include, the Island of Yuri, which is a part of the Habomai Islands, all of which were and are separate and apart from the Kurile Islands.

(b) The Yalta Agreement regarding Japan of February 11, 1945 was not intended to and did not contain any provision by which the Soviet Government became entitled unilaterally to seize, occupy, or exercise sovereignty over, or to become entitled to possess, any Japanese territory

whatever, neither the Kurile Islands, nor the Habomai Islands nor any other area, and in particular not that area of the sea, land and air space of Japan in which the United States B-29 aircraft was intercepted, tracked and shot down by Soviet fighter aircraft, as recited above.

The Yalta Agreement was, as the Soviet Government has at all times well known, a memorandum expressing the views of the President of the United States, the Prime Minister of Great Britain, and the Premier of the Union of Soviet Socialist Republics, each acting within his Government's constitutional powers and limitations, respecting a proposal by the Premier of the Union of Soviet Socialist Republics that in the event of the Soviet Government's entrance to the war against Japan, jointly with the other Allied Powers, the Soviet Government should, in the final peace settlement terminating the war, be supported in a claim for the return to the Soviet Government of certain Japanese territory formerly owned by the Czarist Government of Russia. Provisions of the memorandum were subsequently reflected in the terms of surrender proclaimed by the Allied Powers, with the knowledge and consent of the Soviet Government and its subsequent adherence, to the Government and people of Japan, accepted by the Government of Japan in the document of surrender. The Treaty of Peace with Japan duly and solemnly signed and ratified by the parties thereto was intended to constitute the final peace settlement envisaged by the parties to the Yalta Agreement on Japan of February 11, 1945; and so far as concerns any relevant undertakings which the United States Government may have made under that Agreement the Treaty of Peace with Japan constitutes the full performance of such undertakings.

(c) The provisions of the Yalta Agreement and the intentions of the parties thereto were made clear not only in the Treaty of Peace but in the intermediate proclamations of policy by the Allied Powers.

These documents provided that in the event of Japanese surrender "Japan would not lose access to raw material areas", Japan would be stripped only of the Islands "which she has seized or occupied since the beginning of the First World War in 1914", and "be expelled from all other territories which she has taken by violence and greed", and the Allies proclaimed that they "covet no gain for themselves and have no thought of territorial expansion".

The Island of Yuri and its territorial waters, as well as all the Habomai Islands and the Island of Shikotan and their territorial waters, including all the area in which the wrongful actions of the Soviet Government on October 7, 1952, as above detailed, took place, did not and were not intended to fall within territory to be detached from Japanese sovereignty by the Treaty of Peace, by the Yalta Agreement or any other policy formulation of the Allied Powers for the reasons that;

(i) The Habomai and Shikotan Islands were at no time within the sovereignty of the Czarist Government of Russia or of the Soviet Government, or ever claimed by them at any time prior to the unlawful unilateral seizure of them by the Soviet Government. On the contrary, they were from ancient times territory of Japan, never

taken by violence or greed, always occupied by Japanese people, an integral portion of the Japanese patrimony, and were so recognized by the Soviet Government and its predecessor governments at all relevant times prior to the unlawful unilateral seizure above described;

(ii) The islands and waters in the area described constituted, and of necessity still constitute, an integral portion of the economic resources of the Japanese people, containing traditional domestic fisheries from which the Japanese people have derived their economic subsistence and they constitute, and have from ancient times constituted, normal sea routes for the internal commerce of Japan.

3. The United States Government declares that the unilateral seizure and continued occupation of the Habomai Islands and Shikotan, and the area adjacent thereto, by forces of the Soviet Government, and the government thereof as if they were within the sovereignty of the Soviet Union and removed from the sovereignty of Japan, constitute flagrant violations by the Soviet Government of the terms of the Yalta Agreement regarding Japan of February 11, 1945, mentioned above; of the terms of the Cairo Declaration of the Allied Powers of December 1, 1943, and of the Potsdam Declaration of July 26, 1945, setting forth the terms of surrender offered to the Government of Japan to all three of which the Soviet Government adhered by its declaration of August 9, 1945; and of the Soviet Government's Declaration of War against Japan of August 9, 1945, and of the terms of acceptance of the Allied Surrender Terms by the Japanese Government of August 14, 1945. The United States Government declares that the Soviet Government, by its foregoing commitments, solemnly pledged that no territory would be taken from Japan except in the diplomatic process of a treaty of peace with all the Allied Powers, that the Soviet Government did not covet any gain for itself and had no thought of territorial expansion and would not claim or take from Japan any territory which Japan had not taken by violence and greed.

The United States Government further declares that regardless of the rights, if any, which the Soviet Government might claim with respect to the Kurile Islands, it had and has no valid claim whatever by virtue of the Yalta Agreement of February 11, 1945, or otherwise, to the Habomai Islands, including Yuri Island and Shikotan and their territorial waters, and the area in which the unlawful actions took place on October 7, 1952, as above described, were committed by the Soviet Government; but it was the affirmative duty, for the violation of which it is legally liable to the United States, as well as to Japan, not to attack, obstruct or interfere with the performance by the United States Government of its functions under the Treaty of Peace with Japan and the Security Treaty and the Administrative Agreement thereto.

The United States Government does not deem it necessary to dwell at this time upon the various aspects in which the Soviet Government has further callously violated the various obligations assumed by it in the course of the discussions by the heads of state at the Yalta Conference reflected in the Yalta Agreement, and particularly

the terms expressed and implied as to the Soviet Government's association with the Allied Powers in the war against Japan, its adherence to the Allied Surrender Terms, the character of its participation in the occupation of Japan following the surrender, and its adherence to the final Treaty of Peace, and the fact that by virtue of its reprehensible conduct in these regards the Soviet Government would in any event disentitle itself to any territorial aggrandizement at the expense of Japan and the Japanese people.

4. The United States further declares that the unilateral seizure and continued occupation and exercise of sovereignty over the Habomai Islands and the area adjacent thereto by the Soviet forces, and the actions of October 7, 1952, described above, were and have been carried out by the Soviet Government with the purpose and effect of harrying the Japanese people; of hampering their opportunities to make a living from their traditional fisheries in the sea as has been their ancient and inalienable right; of preventing normal commerce with and within Japan; of hampering domestic police activities necessary for the exercise of full responsibility and sovereignty over the islands of Japan by the Japanese Government as well as the defense thereof with the assistance of the United States Government; and of intimidating the Government and people of Japan. Neither the United States Government nor any authorized representative thereto, in the Yalta Agreement or otherwise, has ever consented directly or indirectly to this immoral and unlawful deprivation of the Japanese people by a foreign power.

5. The United States Government further declares that nothing in the Treaty of Peace, the Yalta Agreement of February 11, 1945, or any other valid international act, document or disposition, provided any justification for the actions taken by the Soviet Government with respect to the B-29 aircraft described above, including the refusal of the Soviet Government to provide the United States with true information concerning the incident and the fate of the crew, as described above.

V

The United States has suffered the following items of damage in direct consequence of the foregoing illegal acts and violations of duty for which the Soviet Government is responsible, and the United States Government demands that the Soviet Government pay to it the following sums on account thereof:

1. The United States Air Force airplane B-29, No. 44-61815, and its contents at the time of its destruction on October 7, 1952, valued in total at \$919,984.01.

2. Damages to the United States by the willful and unlawful conduct of the Soviet Government, \$300,311.

3. Damages to the next of kin, nationals of the United States, for the deaths of the crew members resulting from the willful and unlawful conduct of the Soviet Government or for the willful and unlawful withholding by the Soviet Government of such members of the crew as survived, \$400,000.

TOTAL \$1,620,295.01

The United States Government declares that its demand for compensation on account of the members of the crew

who survived does not imply the acquiescence of the United States Government in the withholding of those crew members from return to the United States Government, or the suppression by the Soviet Government of information regarding their whereabouts or welfare or the making of false statements by the Soviet Government with respect thereto; and the United States takes this opportunity again to demand that the Soviet Government forthwith provide the information in this regard which has been requested by the United States Government, and make provision for the prompt return of any crew members whom it may still be holding or of whose whereabouts it is informed, and in the interim to provide them with the maximum degree of care and comfort and facilitate access to them by appropriate representatives of the United States Government. The United States Government further reserves the right to make additional demand upon the Soviet Government for amends and other actions on account of its conduct on or since October 7, 1952, with respect to such survivors.

Furthermore, the United States has not included in its demand for damages, specified above, any sum on account of the items of intangible injury deliberately and intentionally caused to the United States Government and the American people, and to the Government of Japan and the Japanese people, by the wrongful actions of the Soviet Government. The United States Government in this regard has determined to defer to a future date the formulation of the kind and measure of redress or other action which the Soviet Government should take which would be appropriate in international law and practice to confirm the illegality of the actions directed by the Soviet Government against the United States Government and the American people, and to defer to the Government of Japan the matter of the liability of the Soviet Government for actions directed by the Soviet Government against the Government of Japan and the Japanese people.

The Government of the United States calls upon the Union of Soviet Socialist Republics promptly to make its detailed answer to the allegations and demands made in this communication. Should the Soviet Government in its answer acknowledge its indebtedness to the United States on account of the foregoing and agree to pay the damages suffered and to comply with the demands as above set forth, the United States Government is prepared, if requested, to present detailed evidence in support of its calculations of damages suffered and alleged. If, however, the Soviet Government contests liability, it is requested so to state in its answer. In the latter event, the Soviet Government is hereby notified that the United States Government deems an international dispute to exist falling within the competence of the International Court of Justice and that the United States Government proposes that that dispute be presented for hearing and decision in the International Court of Justice. Since it appears that the Soviet Government has thus far not filed with that Court any declaration of acceptance of the compulsory jurisdiction of the Court, the United States Government invites the Soviet Government to file an appropriate declaration with the Court, or to enter into a Special Agreement, by which the Court may be empowered in accordance with its Statute and Rules to deter-

mine the issues of fact and law which have been set forth herein; and the Soviet Government is requested to inform the United States Government in its reply to the present note of its intentions with respect to such a declaration or Special Agreement.

Accept, Excellency, the renewed assurances of my highest consideration.

U.S. Requests Repatriation of Noel, Herta, and Hermann Field

NOTE TO HUNGARY

Press release 535 dated September 28

Following is the text of a note delivered on September 28 to the Hungarian Ministry of Foreign Affairs by the American Legation at Budapest concerning the arrest and imprisonment of Noel and Herta Field:

The Legation of the United States of America presents its compliments to the Ministry of Foreign Affairs and on instructions of the United States Government has the honor to refer to the Ministry's note of December 7, 1949 alleging that none of the American citizens Noel, Herta and Hermann Field had been in Hungary since the preceding May. In this connection the United States Government wishes to inform the Hungarian Government that the former Deputy Chief of Department Ten of the Polish Ministry of Public Security (MBP), Jozef Swiatlo has revealed the following information:

Prior to the Rajk trial, General Roman Romkowski and Swiatlo traveled from Warsaw to Budapest in an effort to gather evidence against certain Polish nationals who were thought to have been involved in the Rajk "affair" and to be associated with the Noel Field whom the Hungarians were linking with the Rajk "conspiracy". In Budapest Romkowski and Swiatlo were introduced to Gabor Peter (then head of the Hungarian Police) and his assistant, Colonel Istvan Szucs. The case was discussed with Szucs and it was decided which of the witnesses would be interrogated.

Swiatlo remained in Budapest twelve days. During this time it was learned how the Hungarian authorities had brought Noel and Herta Field

under custody to Budapest when they disappeared in the summer of 1949. In addition to other witnesses, the Hungarian authorities made the Fields available to Romkowski and Swiatlo for interrogation. Noel and Herta Field were interrogated separately by Swiatlo at the AVH (State Security Authority) Building in Budapest where the Fields were imprisoned. Noel Field stated to Swiatlo that he had not engaged in espionage but was gathering information for a book about the countries of the so-called People's Democracy.

In view of this information that Noel and Herta Field were imprisoned and interrogated in Hungary the United States Government requests immediate consular access to these American citizens and the conclusion of arrangements for their repatriation at the earliest possible date.

NOTE TO POLAND

Press release 536 dated September 28

Following is the text of a note delivered on September 28 to the Polish Ministry of Foreign Affairs by the American Embassy at Warsaw concerning the arrest and imprisonment of the American citizen, Hermann Field:

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and on instructions of the United States Government has the honor to refer to the Embassy's repeated communications to the Ministry of Foreign Affairs concerning the welfare and whereabouts of the American citizen, Hermann Field, who disappeared after entering the Warsaw airport on August 22, 1949. Bearing in mind that the Ministry has never given a satisfactory reply to the Embassy's numerous representations in this matter, the United States Government wishes to inform the Polish Government that the former Deputy Chief of Department Ten of the Polish Ministry of Public Security (MBP), Jozef Swiatlo has revealed the following information:

While Hermann Field was in Prague in August 1949 he called Helena Syrkus, a well-known Polish architect, and Mela Granowska, a branch chief in the Personnel Section of the Ministry of Energy, at Warsaw and asked them to assist him in obtaining a visa for entry into Poland. These calls were reported to the Ministry of Public Security whose

head, General Stanislaw Radkiewicz, knew that the Hungarians were preparing the Rajk trial and that Noel Field would be implicated in this trial. It was decided that Hermann Field should be permitted to come to Poland in order that he might be exploited in this connection. After President Boleslaw Bierut had approved, Granowska telephoned Hermann Field at Prague and told him that she would try to obtain a visa for him. Granowska also said that he should plan to stay with her while he was in Poland. Hermann Field then arrived at Warsaw and was escorted by Granowska to visit Helena Syrkus and Colonel Leon Gecow.

Preparations were made to arrest Hermann Field when he went to the Warsaw airport to take a plane for Prague. Swiatlo was told by General Roman Romkowski, Deputy Minister in the Ministry of Public Security, that President Bierut himself issued instructions for the arrest. The Chief of Intelligence of the Border Control Organization (WOP) and the WOP officer in charge of the Warsaw airport were informed of the event to take place.

Hermann Field was escorted to the airport by Helena Syrkus and Mela Granowska. Helena Syrkus left the airport first, followed by Granowska, and after the latter's departure Hermann Field passed through customs. He then entered the waiting room where those about to leave are obliged to remain until the departure of their plane. At this point he was called from the waiting room into the WOP office and arrested. The Ministry of Public Security had waited until this moment in order to permit Hermann Field officially to pass through customs and officially be listed as a passenger on the Czechoslovak Airlines plane bound for Prague.

The arrest was made by Swiatlo, who invited Hermann Field to accompany him to a waiting car held in readiness by an assistant and a chauffeur. Hermann Field went with Swiatlo to the automobile and, together with the assistant and chauffeur, they drove to a place of detention at Miedzeszyn maintained by Department Ten of the Ministry of Public Security.

It is known that Lieutenant Colonel Piasecki of that Department conducted a thorough interrogation of Hermann Field. Officials of the Ministry of Public Security recognized that no evidence was uncovered that he was a spy or had conducted

espionage on behalf of the American Government and concluded that he should be considered innocent and be protected. It is further known that Hermann Field continues to be in prison at Miedzeszyn, Poland.

In view of the foregoing information the United States Government requests immediate consular access to this American citizen and the conclusion of arrangements for his repatriation at the earliest possible date.

Agreement on Payment of Costs for Works at Niagara Falls

Following are the texts of notes exchanged with Canada on September 13 constituting an agreement for establishing procedures for the payment of expenditures on remedial works at Niagara Falls.¹

TEXT OF CANADIAN NOTE

No. X-233

OTTAWA, September 13, 1954,

SIR: I have the honour to refer to recent conversations between representatives of our two Governments with respect to the construction of remedial works at Niagara Falls. As Article II of the Convention between the United States and Canada signed on February 27, 1950, concerning uses of the waters of the Niagara River provides that "the total cost of the works shall be divided equally between the United States of America and Canada", the Government of Canada and the Government of the United States consider it desirable that 50 per cent of the cost of the remedial works at Niagara Falls completed by or on behalf of the other Government shall be paid by or on behalf of such other Government as work progresses.

I have the honour to propose, therefore, that our two Governments agree as follows:

(a) The Government of Canada and the Government of the United States shall each bear 50 per cent of the cost of the remedial works at Niagara Falls done by or on behalf of the other Government as work progresses. Monthly statements

¹ For background, see BULLETIN of June 1, 1953, p. 783; Aug. 10, 1953, p. 184; and June 21, 1954, p. 954.

of expenditures and payments to cover them in the funds of the country performing the work shall be exchanged between the agents of the two countries as indicated below. Adjustments will be made from time to time as required.

(b) In order to facilitate administration, payments by the United States Government shall be made directly to The Hydro-Electric Power Commission of Ontario, through the office of the Project Manager, Sir Adam Beck-Niagara Generating Station No. 2, Niagara Falls, Ontario, acting on behalf of the Government of the Province of Ontario, which, under an Agreement dated March 27, 1950, made between the Government of Canada and the Government of Ontario, has assumed the obligations of the Government of Canada in respect of the Canadian share of the cost of the remedial works to be constructed pursuant to Article II of the Niagara Treaty. Payments to the United States Government by The Hydro-Electric Power Commission of Ontario shall be made to "The Treasurer of the United States" and be forwarded to the District Engineer, Buffalo, New York, District of the Corps of Engineers. In order to comply with the provisions of Article II of the Niagara Treaty, the receipts to be given for each payment made by The Hydro-Electric Power Commission of Ontario to the United States Corps of Engineers, and *vice versa*, shall constitute a full and sufficient discharge of the financial obligations of the two Governments under the Treaty in respect of each such payment. In addition a final discharge of financial obligations shall be made between the Government of Canada and the Government of the United States when payments for all costs of the remedial works have been completed.

(c) Data in support of claims for reimbursements incurred for the period covered shall be made available by the Government of the United States through the District Office of the United States Corps of Engineers in Buffalo, New York, and by the Government of Canada through The Hydro-Electric Power Commission of Ontario, Office of the Project Manager, Sir Adam Beck-Niagara Generating Station No. 2, Niagara Falls, Ontario.

(d) This arrangement shall remain in force until all payments have been completed and the final discharge of financial obligations referred to above has been made by an exchange of notes. It is understood that the arrangements herein set forth for the procedure respecting payment of amounts due Canada are subject to the appropriation by the Congress of the funds required to pay such disbursements.

If the Government of the United States is agreeable to the foregoing proposals, I suggest that the present Note and your reply to that effect should

constitute an agreement between our two Governments which shall take effect this day.

Accept, Sir, the renewed assurance of my highest consideration.

L. B. PEARSON
*Secretary of State
for External Affairs*

DON C. BLISS, Esq.,
*Chargé d'Affaires a. i.,
Embassy of the United States
of America,
Ottawa.*

TEXT OF U.S. NOTE

UNITED STATES EMBASSY,
Ottawa, September 13, 1954.

No. 48

SIR: I have the honor to acknowledge receipt of your note No. X-233 of September 13, 1954, in which you make proposals concerning the procedure to be followed in the payment of expenditures incurred by or on behalf of the respective Governments for work performed at Niagara Falls pursuant to Article II of the convention between the United States and Canada signed on February 27, 1950 concerning the uses of the waters of the Niagara River.

I have the honor to state that the Government of the United States concurs in these proposals and agrees that your note and the present reply shall constitute an agreement between our Governments establishing procedures to be followed with respect to disbursement of funds in payment for expenditures on construction of remedial works at Niagara Falls.

Accept, Sir, the renewed assurances of my highest consideration.

DON C. BLISS

The Honorable

LESTER B. PEARSON,
*Secretary of State for External Affairs,
Ottawa.*

U.S. Delegations to International Conferences

Conference on Education and Farming

The Department of State announced on October 4 (press release 552) that the U.S. Government would be represented at the Technical Conference

October 18, 1954

on Education and Small Scale Farming in Relation to Community Development, to be held at Port-of-Spain, Trinidad, October 6-15, 1954, by the following delegation:

Delegates

Jane Franseth, Specialist for Rural Schools, Division of State and Local School Systems, Office of Education, Department of Health, Education and Welfare

Luis A. Suarez, Leader of the Agricultural Economics and Cooperative Project, Federal Extension Service, University of Puerto Rico, Rio Piedras, P. R.

Adviser

Theo Lafayette Vaughan, Community Development Adviser, U.S.-FOA Mission to British Guiana, Georgetown, British Guiana

This Conference is being held under the joint sponsorship of the Caribbean Commission and the United Nations Educational, Scientific and Cultural Organization (UNESCO), and has been called as a result of a recommendation by the Fifth Session of the West Indian Conference (Jamaica 1952). Its conclusions will form the basis for the documentation for the Sixth Session of the West Indian Conference (San Juan, May 1955).

The interrelationship between the problems of small-scale farming and education will be dealt with in the following subjects: (a) the social and economic background of the problems; (b) the school in its relation to the community; (c) problems of small-scale farming; and (d) education for community development. Field trips will be arranged by the Secretariat of the Caribbean Commission in consultation with the Government of Trinidad and Tobago, and evening seminars will be held on questions relating to agriculture and education.

Current Treaty Actions

MULTILATERAL

Commodities—Wheat

Agreement revising and renewing the international wheat agreement of 1949 (TIAS 1957). Dated at Washington April 13, 1953. Entered into force July 15, 1953 with respect to Parts 1, 3, 4, and 5; and August 1, 1953 with respect to Part 2. TIAS 2799.

Acceptance deposited: Brazil, September 13, 1954.

Cultural Institutions and Objects

Convention for the protection of cultural property in the event of armed conflict, and Regulations of Execution. Concluded at The Hague May 14, 1954; open for signa-

ture until December 31, 1954. Enters into force three months after deposit of five instruments of ratification. Protocol for the protection of cultural property in the event of armed conflict. Concluded at The Hague May 14, 1954; open for signature until December 31, 1954. Enters into force three months after deposit of five instruments of ratification.

Signatures to convention:

United States	Italy ¹
Andorra	Libya ¹
Australia	Luxembourg ¹
Belgium (ad referendum) ¹	Monaco ¹
Byelorussian Soviet Socialist Republic	Netherlands ¹
China ¹	Nicaragua ¹
Cuba	Norway (ad referendum) ¹
Czechoslovakia	Philippines
Ecuador ¹	Poland
El Salvador ¹	Portugal
France ¹	Rumania
Federal Republic of Germany ¹	San Marino ¹
Greece ¹	Spain
Hungary	Syria ¹
India ¹	Ukrainian Soviet Socialist Republic
Iran (ad referendum) ¹	Union of Soviet Socialist Republics
Iraq ¹	Uruguay ¹
Ireland	Yugoslavia ¹
Israel	

Labor

Convention (No. 74) concerning the certification of able seamen. Adopted at Seattle June 29, 1946. Entered into force July 14, 1951; for the United States April 9, 1954. TIAS 2949.

Ratification registered: Poland, April 13, 1954.

Peace Treaties

Treaty of peace with Japan. Signed at San Francisco September 8, 1951. Entered into force April 28, 1952. TIAS 2490.

Ratification deposited: Guatemala, September 23, 1954.

Postal Matters

Universal postal convention, with final protocol, annex, regulations of execution, provisions regarding airmail and final protocol thereto. Signed at Brussels July 11, 1952. Entered into force July 1, 1953. TIAS 2800.

Ratification deposited: Hungary, September 3, 1954.²

Trieste

Memorandum of understanding between the Governments of Italy, the United Kingdom, the United States, and Yugoslavia regarding the Free Territory of Trieste,

¹ Also signed protocol.

² Ratification confirmed statement made at time of signature of Final Protocol.

with two annexes. Initialled at London October 5, 1954. Entered into force October 5, 1954.

War

Geneva convention relative to treatment of prisoners of war;

Geneva convention for amelioration of the condition of the wounded and sick in armed forces in the field;

Geneva convention for amelioration of the condition of wounded, sick and shipwrecked members of armed forces at sea;

Geneva convention relative to protection of civilian persons in time of war.

Dated at Geneva August 12, 1949. Entered into force October 21, 1950.³

Adherence deposited: Germany, September 3, 1954.

BILATERAL

Canada

Agreement relating to the payment of costs of remedial work at Niagara Falls pursuant to Article II of the treaty of February 27, 1950 (TIAS 2130) relating to uses of waters of the Niagara River. Effected by exchange of notes at Ottawa September 13, 1954. Entered into force September 13, 1954.

El Salvador

Agreement providing for a United States Army Mission to El Salvador. Signed at San Salvador September 23, 1954. Will enter into force on date the United States receives written notification that the agreement is approved by El Salvador.

Mexico

Agreement approving memoranda of understanding by the Mexico-United States Commission for prevention of foot-and-mouth disease to provide financing for Commission operations. Effected by exchange of notes at Washington December 12, 1953 and July 30, 1954. Entered into force July 30, 1954.

Philippines

Agreement amending the agreement of November 18 and December 13, 1952 (TIAS 2931), as amended, relating to the recruitment of Philippine citizens for voluntary enlistment into the United States Navy. Effected by exchange of notes at Manila September 2, 1954. Entered into force September 2, 1954.

United Kingdom

Agreement relating to claims for compensation arising from the use of the practice bombing range near Cuxhaven, Germany. Exchange of letters at Bonn July 15 and 21, 1954. Entered into force July 21, 1954.

³ Not in force for the United States.

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No.	Date	Subject
547	10/4	Dulles: Return from London Conference. (See BULLETIN of Oct. 11.)
*548	10/4	Hoover sworn in as Under Secretary.
549	10/4	Hoover statement.
*550	10/4	Wailes: Swearing-in ceremony.
551	10/4	Wriston Committee reconvened.
552	10/4	U.S. delegation to farming conference.
553	10/5	Dulles: Statement on Trieste agreement.
554	10/5	Agreement on Trieste.
*555	10/5	Hill: Swearing-in ceremony.
556	10/6	Dulles: Message to Martino.
557	10/6	Dulles: Message to Popovic.
*558	10/6	Program for MacDonald visit.
†559	10/6	U.S. delegation to Pan American Sanitary Conference.
*560	10/6	Robertson: Death of Ozaki.
†561	10/7	Cale: Economic situation in Latin America.
*562	10/8	Foreign Service memorial to be rededicated.
†563	10/8	Key: World security and WHO.
*564	10/8	Gallman: Swearing-in ceremony.
†566	10/9	Claim against U.S.S.R. for B-50.

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The Department of State

THE JOURNAL OF THE
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bulletin

Vol. XXXI, No. 800
October 25, 1954



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The Department of State bulletin

VOL. XXXI, No. 800 • PUBLICATION 5637

October 25, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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The Common Destiny of the Americas

by John C. Dreier

*U.S. Representative to the Council of the Organization of American States*¹

It is particularly suitable that the Miami celebration of Columbus Day pay special attention to the common bond which the United States shares with the peoples of the other American Republics on this "birthday" of our continent.

San Salvador, or Watlings Island—the first piece of land touched by the discoverer early in the moonlit morning hours of October 12, 1492—lies some 400 miles to the southeast of here. Had it not been for a flock of birds, Columbus' course might have led him ultimately to the shores of Florida. We might then be celebrating this evening on the spot which the Admiral of the Ocean Seas had touched himself.

A few days before the discovery—up to October 7, to be exact—Columbus was following a westward course, which in fact aimed almost directly at Miami. The records tell us that on that date he saw a great flight of birds heading toward the southwest—no doubt one of the great annual fall migrations with which we are familiar today. Columbus shifted his course halfway to the southwest on the theory that the birds must be headed for land. If he had not done so, at least one historian who is also a mariner of note maintains, Columbus would probably have passed through the northern Bahamas, entered the Gulf Stream, and been carried up the Florida east coast.

Had Columbus' powerful imagination and vision extended to a comprehension of the charms of this part of the world, I am sure he would have disregarded the sign of the flying birds. However, as thankful citizens of this New World,

we may forgive this lapse in his otherwise masterful genius and celebrate his coming as though he had in fact set foot on these golden shores.

This little incident of the birds and its possible effect upon history is not only an amusing tale. It seems to me also to represent the many vagaries, uncertainties, errors, arguments, and difficulties with which Columbus and his venture were surrounded.

Over the years, as he sailed the seas of the eastern Atlantic and studied the calculations of the leading geographers of his own time and of centuries past, Columbus formulated a great plan which he called the "Enterprise of the Indies." Popular belief to the contrary, educated men in Columbus' day recognized that the world was round. But, while to others this was largely a matter for academic discussion, to Columbus it became a challenge to action. Why not take advantage of this fact, he argued, and sail across the sea to the other side of the world where inevitably one would come upon Cipangu (Japan) and the territories of the Great Khan? Thus would be opened up a new trade route to the riches of the Indies, as the whole of Asia was at that time called. And in the process of sailing this hitherto unknown portion of the sea, who knows, he asked, whether one might not encounter an island or two which would make a convenient stopping place before the Indies were reached, and of which one would, of course, become the royal governor?

Like many another man with a project to put over, Columbus first had to overcome the experts. For years the eminent scholars whose advice was sought by the Spanish crown declared that the Enterprise of the Indies was impractical and based upon false calculations. And the strange thing

¹ Address made before the Miami Citizens Committee for the Inter-American Observance of Columbus Day, at Miami, Fla., on Oct. 11 (press release 565).

about it is that they apparently were right—or at least less incorrect than Columbus. They declared his idea of a narrow sea between Spain and China or Japan was an underestimation; that the ocean was really much greater than Columbus figured; and that the opposite shore was beyond the range of contemporary sailing vessels. Little did they know how right they were—but, of course, what neither they nor Columbus suspected was that America lay on the way.

Columbus finally appeared to have won the acquiescence if not the support of the experts and then had to wrestle with politics. After years of waiting, much of it spent in conditions of great poverty, he received his hearing before Queen Isabella and was turned down. Then there intervened one of those turns of fate of which we have no explainable cause. On his way from the Spanish court toward France, where he hoped to receive a better response, he was overtaken and ordered back. The Queen had changed her mind and determined to set the *Enterprise* of the Indies afloat.

Then, the ships made ready, came the voyage itself. Farther west sailed the caravels than any man had ever sailed before; mythical islands appeared and disappeared as false landfalls were made. Having gone far beyond his estimated distance, Columbus himself believed he had missed Japan.

Then came the increasing impatience of the men cooped up on these tiny vessels—more false landfalls—the command “*Adelante—sail on!*”—the final promise to turn back in three days more if no land were sighted; and that night the glimpse of a light (was it real, or merely the last false illusion of success?) and then at 2:00 a. m. on October 12 the cry of “*tierra! tierra!*,” when not a new route to Asia but a New World came into being.

Through all these incidents reflecting the limitations of human mind and body there emerges as the responsible factor of success the great personality and character of Columbus. Fired with a vision, deep in the faith that he would succeed, his inspired pursuit of a grandly conceived, though not entirely accurate, goal led to a triumphant and world-shaking reality.

And so today we celebrate the 462d anniversary of the discovery. We honor Columbus, the man, whose faith and courage brought into being a

New World and whose personal triumph provided a bridge from the dying Middle Ages to the new era of hope, discovery, and enlightenment which followed thereafter.

The discovery is, of course, the first great historical fact which all the peoples of North and South America share in common. Through it, all of America is linked to the motherland of Western Europe and its civilization.

Following Columbus, as decades and centuries passed, a great wave of population moved in increasing numbers across the Atlantic. Like Columbus himself, the settlers of America were motivated by a number of different impulses—religious faith and ambition for material gain being prominent among them. But of increasing importance to those who came to the New World was a desire for freedom to work out a way of life of their own choosing.

Continental Unity

Thus, after some three centuries of colonization, America began to become conscious of a character of its own. Whereas it had been—except for conquered native populations—dependent upon Europe culturally, economically, and politically, by the end of the 18th and early 19th centuries America became conscious of its differences from Europe. This sense of difference was soon translated into political independence.

The second great historical bond that unites the Americas is, therefore, the achievement of their independence. Through this act the European settlements of colonial times became in fact the New World of modern times.

The consciousness of a common destiny as nations of a New World has been for 150 years one of the main ingredients of the mortar which has bound our countries together. Americans of all nations have shared the opportunity which the New World has been given to get rid of the rivalries and enmities which had led European countries to repeated warfare and to establish on this continent a community of nations that could live in peaceful cooperation with each other.

Americans, North and South, have sought their destiny in creating a society of free men, based upon the recognition of the dignity and worth of the individual human being, casting off the rigid class distinctions and hampering traditions which characterized Old World society. A richer life,

measured not only in material but in cultural and spiritual terms, became the goal which Americans have by common consent set themselves to achieve.

It was this spirit of Americanism which led to the gradual development of what we have called the inter-American system and its instrument, the Organization of American States. It was a sense of relationship with Latin America, as part of a greater America, that led to the adoption of the Monroe Doctrine in 1823. A similar continental concept inspired the ambitions of the great liberators of Latin America. Simon Bolívar, when he called a conference in Panama in 1826, envisaged a federation of Latin American countries as a step toward a united continent including the United States.

Again in 1889 it was a sense of continental unity which led the Government of the United States to call the first Pan American Conference, thus setting in motion the uninterrupted series of conferences which form the main consultative body of the Organization of American States, the tenth of which was held this year in Caracas, Venezuela.

When the Ninth Inter-American Conference met in Bogotá in 1948 to draft a new constitutional document, the representatives of the 21 Republics set forth the purposes and principles of the Organization. These purposes may be summarized under two main headings: first, the maintenance of the peace and security of the Americas to prevent aggression from any source and protect the freedom and sovereignty of every member state; and second, cooperation in working out common problems in order to promote the economic, social, and cultural welfare of all peoples of these 21 countries.

"Enterprise of the Americas"

Paraphrasing Columbus' original proposal, we may call this common effort of American nations the "Enterprise of the Americas."

We can point with pride to past achievements in regard to both the great purposes to which our enterprise is dedicated. But, like the Enterprise of the Indies, our Enterprise of the Americas has encountered many difficulties and still faces problems of a future not yet clear.

In the field of peace and security we can take justifiable pride in the growing sense of mutual responsibility that has developed over the past 100 years. When the United States issued the Monroe

Doctrine in 1823, we expressed our unilateral concern over any possible efforts to reestablish colonies or to reintroduce European political systems on this continent. By the early part of this century we had declared our intention to act in situations where intervention by a non-American power in the affairs of other American countries was threatened in order to forestall such intervention. But gradually this assumption by one country of a unilateral responsibility for the maintenance of peace and security was converted into an assumption by all 21 countries of a common responsibility. This great development was reflected in the principle adopted at the Conference of Chapultepec in Mexico in 1945, that an attack against one American State would be considered an attack against all.

This principle was incorporated in the Treaty of Rio de Janeiro, which provides for mutual assistance among the American States in the event of an armed attack and consultation in regard to any other form of aggression. The success of the regional machinery established in the Treaty of Rio de Janeiro for the prevention of aggression has been demonstrated on more than one occasion. As a companion piece to this treaty, there has also been drafted another agreement setting forth methods for the peaceful solution of international disputes among the American States. Although this second treaty has not yet reached the point of approval by a majority of the American Republics, consideration is now being given to the desirability of revising the treaty to remove some of the obstacles which have impeded ratification. In any event the principles, procedures, and practice of peaceful settlement are so firmly established among the American States that they constitute one of the basic assumptions of our international code of conduct.

Yet we cannot by any means view with complete equanimity the present situation in this continent with respect to the maintenance of peace and security. For the main danger which America faces today is, as dangers so often are, of a new sort—the danger of aggression by subversion of political institutions in the interests of a foreign power. We have a new kind of foe to cope with, and new and more effective means of defense must be found.

Caracas Conference

An important beginning to devise a stronger system of peace and security in the face of this

danger was made at the Caracas Conference held last March. There, interpreting the principle of unity in defense against aggression, the American States declared that the domination or control of political institutions of an American State by the international Communist movement, extending to this hemisphere the political system of an extracontinental power, would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of the Americas, and would call for a Meeting of Consultation to consider appropriate action.² It was on the basis of this principle that the American States last June, following some sensational developments in the Republic of Guatemala, called for a Meeting of Consultation to consider the situation created by Communist infiltration in that country. The Foreign Ministers were about to meet when a successful revolution in Guatemala overthrew the Communist-penetrated government there.

The outcome of the Guatemalan case should not, however, lead us to think either that the general problem has been eliminated from the Americas or that the means of protecting American political institutions have been clearly developed. More constructive thought is needed to understand the nature of the Communist threat to America and methods whereby unity of America may be evoked in defense against it. Certainly vigilance and a readiness to expose and control subversive activities are required. The role of international organizations in this respect must be more clearly thought out.

Moreover, no one viewing the tradition of America can feel satisfied with negative measures alone. If we wish to strengthen our continent against the violence and bloodshed which in recent years have brought misery and subjection to other parts of the world, we must build in the hearts of men. And that requires the clarification and dramatization of positive American goals that will respond to the political, economic, and cultural aspirations of the peoples of America. No program for the security of our American nations can succeed unless the peoples of America are given at least a moderate assurance that through inter-American unity and cooperation, constructive and positive gains will be made in improving the life of the common man.

² BULLETIN of Apr. 26, 1954, p. 638.

That brings us to the other great purpose of our Enterprise of the Americas—the promotion of the economic, social, and cultural welfare of our people. Here too we may point with pride to important developments in which the cooperation of American peoples has played a vital role.

Our trade relations reflect the growing unity in inter-American affairs. United States trade with Latin America has increased from \$1.7 billion in 1938 to almost \$7 billion in 1952. Today Latin America provides about one-third of our total imports and takes from a fourth to a fifth of our exports. Latin American countries increasingly look to the United States as a market for their raw materials and as a source of manufactured goods and capital equipment. The Latin American area is the largest single area of United States foreign investments.

Moreover, progress in economic and social lines in Latin America has been outstanding, showing rates of growth which compare favorably with economically more advanced areas.

For this progress, inter-American cooperation may take a considerable share of the credit. The program of reciprocal trade agreements, whereby since the 1930's tariffs have been reduced as a measure of promoting international trade, has been of great benefit to inter-American trade. Private investments which have formed the basis of most economic development in Latin America have been supplemented by special intergovernmental arrangements. Through the Export-Import Bank and the International Bank for Reconstruction and Development, loans to Latin America since World War II have been made at a rate of about \$100 million per year. The fact that these loans have been made for sound economic projects is evidenced by the satisfactory rate of repayment.

Technical Assistance Program

Finally, a remarkable and interesting technical assistance program has been developed among the American Republics which is contributing to the economic and social development of the entire area. In the fields of agriculture, health and sanitation, education, and housing, a wide interchange of technical knowledge is being promoted. Projects are being undertaken to apply this technical know-how to the solution of specific problems in individual countries. These activities are being

carried out not only through bilateral arrangements between the United States and other American countries but also through the agency of the Organization of American States.

For example, the Pan American Sanitary Bureau, the oldest international health organization in the world, is carrying on a continent-wide campaign to exterminate the carrier of yellow fever in settled areas, as well as conducting a number of other dramatic and significant health programs in cooperation with national health agencies. The Inter-American Institute of Agricultural Sciences is developing basic scientific and sociological information which can increasingly contribute to the improvement of problems of agriculture and rural life throughout Central and South America.

Thus again we may point with pride to achievement in this field, and yet at the same time we must also look ahead to the existence of great and unsolved problems which challenge the future of inter-American unity and cooperation. For great as is the progress in social and economic fields in Latin America, the demand for progress is increasing at an equal if not a faster rate. When people can see, as a result of motion pictures, travel, and other media of mass information, the higher standards of living to which modern technology gives access, they become impatient to get there. The long, slow process through which our own country went in the 19th century no longer satisfies the urgent demands of peoples who are just now starting that long climb to a better way of life.

Moreover, as modern technology has altered the economic basis of life, taking people away from the traditional rural society and developing the proletarian life of the cities, people have become more dependent upon the course of worldwide economic events. The outbreak of fighting in Korea, for example, had an immediate and direct effect upon the life of the Indian miner on the Bolivian Altiplano. The suddenly increased demand for tin sent prices skyrocketing. Then, a few years later, the demand fell, and down crashed prices too, thus knocking to pieces the inflated economic structure which had been created 2 or 3 years before.

It is no wonder that a principal goal which the Latin American countries are now seeking in the field of economic relations is for a greater stability in their trade with us—particularly in their

ability to sell their copper, tin, coffee, petroleum, and other essential goods to us at what they would consider a fair rate of return.

This is but one example illustrating the fact that now more than ever the basic problems of this continent require international solutions. By this I do not in any way mean to disregard the equally powerful fact that international cooperation can help only those nations that begin by doing all within their power to help themselves.

The ultimate fact, underlining the need for international action in regard to these problems that so directly affect human life in this continent, is that a failure to solve them cannot avoid international repercussions. If the people of any American country is delivered into the hands of destructive demagogues and extremists, we shall all be the losers. If either communism on the one hand or fanatic nationalism on the other—or the two working together—should ever capture any considerable portion of the population of this continent, the possibility of our ever achieving the high purposes of inter-American cooperation would indeed be dim. For in this age of explosive forces we can hope to maintain our freedom and civilization only if rational courses of human conduct win out. All of us—North Americans and Latin Americans—have a stake, therefore, in making our Enterprise of the Americas work. This means enlarging the area of common thought and effort towards achieving on this continent a greater measure of freedom, security, and well-being.

Belief in the Future

With respect to all the problems which face us in inter-American cooperation today, perhaps what is needed as much as anything is a rededication to that great American spirit which came into being 150 years ago with the achievement of independence and which inspired men to a faith in their destiny as inhabitants of a new world endowed with a new hope.

For a century and a half we have gone forward with a firm belief in our future and in our capacity to create in this New World a better life for humanity. Great things have been done. A great deal remains to be done if we want to have on this continent a strong, united, and confident America. There are too many signs today that that great belief in our future has been shaken, and that con-

fidence in ourselves and in our fellow Americans has been soured with suspicion. Fear and hatred have made inroads where courage and good will should prevail.

Too often we hear it suggested that we have gone as far as we can go in international cooperation; that we should even turn back from our efforts to seek a greater unity among nations. Perhaps, after all, our Enterprise of the Americas is just another crackpot idea.

Surely we cannot lend ourselves to such counsels. They reflect the same atmosphere of cynicism and doubt that characterized the end of the 15th century when Columbus formulated his Enterprise of the Indies. It is refreshing to recall that among various other negative arguments advanced by the

most learned scholars of that time, in response to Columbus' proposals, was the observation that in that advanced era of civilization, so long after the creation of the world, it was unlikely that there were anywhere any more lands of any value to be discovered!

Two years later, driven by his inspired faith and determination, Columbus came upon a New World.

As we, the beneficiaries of his greatness, look forward to the possibilities of building a stronger and more vigorous America, let us recall as most applicable to our own times the words of Columbus in his letter reporting the discovery: "The eternal Almighty God, our Lord, it is Who gives to all who walk in His way victory over things apparently impossible."

Some Aspects of the Present Economic Situation in Latin America

by Edward G. Cale

Director, Office of Regional American Affairs¹

I come to speak to you on the subject of some aspects of the present economic situation in Latin America with a very great appreciation of the complexity of the subject matter and of my own limitations for dealing with them.

In fact, it is difficult and sometimes erroneous to think in terms of Latin America as a unit, since there is great diversity among the countries of this area, which occupies almost one-fifth of the world's land area. For example, the countries vary greatly in size, ranging from Brazil, which is about as large as the United States plus an additional Texas, to Haiti, which is about the size of the State of Maryland. Differences in race between the various countries are also often very marked. In some countries, such as Mexico, Guatemala, Peru, and Bolivia, Indian blood pre-

dominates; in others, such as Argentina and Uruguay, the population is largely of European origin. In certain regions, such as northeastern Brazil and the coastal fringes of the Caribbean, considerable Negro blood is to be found. There are also great differences between many of the countries, economically. For example, there are many ways in which economic conditions in such countries as Argentina, Chile, and Cuba are more nearly like those in the United States than those in such other Latin American countries as Haiti, Bolivia, and Paraguay. Economic conditions between different social or economic classes within a given country vary even more widely. An accurate description of Latin America is possible only when these differences are all included. There is not time in a limited discussion to do this, but I hope that you will remember that there are many exceptions to the generalizations that I will have to make in order to cover the topic with which I am dealing.

¹ Address made at a conference on "Latin America and Inter-American Relations" at the University of Virginia, Charlottesville, Va., on Oct. 7 (press release 561).

Natural Resources

The generalization with which I shall begin is that Latin America is an area of large unutilized natural resources. In general, the countries of the area have the potential in terms of natural resources both to build a prosperous home industry and agriculture and to expand foreign trade. Some of the countries are exceedingly well endowed. For example, Venezuela has large deposits of petroleum and iron; Colombia has rich reserves of coal and iron; Peru has a wide variety of minerals; Brazil has a very wide range of natural resources generally, although explorations so far made have not disclosed the existence of large deposits of coal or petroleum; and Argentina has an abundance of some of the finest agricultural lands in the world. Exploration has so far not been carried far enough fully to indicate the extent of the area's natural wealth.

Despite an abundance of natural wealth in most of the countries of the area, especially in relation to present population, there are a number of handicaps that must be overcome in developing them. In terms of present technology and on the basis of presently known resources, Latin America is not as well endowed as the United States to meet the basic needs of an industrial society.

To a large extent, the physical environment of Latin America is difficult and offers obstacles to economic development. For example, the Andean mountain range, which lies athwart the western part of South America, constitutes a formidable barrier to transportation and communication. Heat and humidity in large portions of the area are also unfavorable to optimum production. Land and mineral resources in a considerable number of the countries are limited. Given its vast area, however, which is some two and one-half times that of the United States and its known resources, it should be able to afford its present population a much higher standard of living than it now enjoys. However, since it also has one of the most rapidly increasing populations of any major area of the world, it faces a serious problem in increasing production rapidly enough to increase per capita income. For example, it is estimated, on the basis of present trends, that the population of Latin America will be around 500 million by the year 2,000. At present, its population is slightly in excess of that of the United States. If these

estimates and similar estimates for the United States and Canada should prove correct, however, the population of Latin America will be more than twice that of the United States and Canada combined by the close of the present century.

Increased Output

A second generalization that may be made regarding Latin America is that during the past decade and a half it has increased its economic productivity at a considerably more rapid rate than the rate at which its population has been increasing. The following data, which are largely taken from a recent report by the United Nations Economic Commission for Latin America, are indicative of the really remarkable progress which Latin America has made since the Second World War: Population is increasing in Latin America, on the average, at a rate of from 2 to 2½ percent per annum. But output of goods and services has been substantially in excess of population growth. The per capita rate of increase in the volume of goods and services available to Latin America since the war has been around 3½ percent per year. Living standards have been raised appreciably as a result, but not all of the increased output has gone into increased consumption.

Economic development requires that capital be accumulated; and capital accumulation in Latin America since the close of the Second World War has been exceptionally intense, the investment rate approximating 16 percent of total national income. This compares favorably with the record of even highly industrialized countries. It has been estimated that more than 90 percent of the capital accumulated during the period was supplied from Latin America's own savings. The stock of capital per worker has increased on the average from \$1,177 in 1945 to \$1,409 in 1952, an increase of more than 25 percent. The outstanding feature of this development has been the expansion in manufactures. The value of manufactures increased from \$6.8 billion in 1945 to \$11.4 billion in 1952. This is an increase of better than 70 percent in 7 years. The value of manufactures surpassed the value of agricultural output in Latin America in 1947 for the first time and has outranked it ever since.

Notwithstanding this rapid rate of progress, there is still a great deal of popular dissatisfaction

with their present economic conditions among the governments and people of Latin America. Furthermore, it appears that the amount of this dissatisfaction is at least as great, if not greater, in those areas where there has been the greatest economic and social change. There are apparently many factors which help to account for this situation. First, average per capita income in Latin America is still very low in comparison with that of the more highly industrialized countries. The situation varies greatly as between countries; but, in all, the lot of the major part of the population is poor. In Latin America as a whole, per capita income is probably not more than $\frac{1}{8}$ of per capita income in the United States. Health conditions in many areas may be considered poor by accepted standards. For example, it is estimated that the death rate in most of the Latin American countries is in excess of 100 per 1,000 live births. The comparative figure for the United States is 28 or 29 per 1,000. The average diet in a number of the countries is less than the diet which has generally been considered by nutritional experts as the minimum necessary to maintain health and efficiency.

The need for improved education in Latin America is also great. Many of the countries have illiteracy rates exceeding 50 percent, and few of them have effectively orientated their educational systems to the requirements of a modern industrial civilization.

Transportation facilities are also inadequate. Latin America has about $\frac{1}{3}$ the railroad mileage of the United States and fewer motor vehicles than the State of New Jersey. Lack of farm-to-market roads handicaps the movement of food and other agricultural products.

Notwithstanding the low average level of income in Latin America and the unsatisfactory health, educational, and other conditions that go with it, there are in virtually all of the Latin American countries a limited group of very well-to-do people. Their standards of living, health, and comfort are as good as those enjoyed by our wealthier citizens. The contrast between the condition of the few and that of the masses of the people is accordingly very marked. Part of the dissatisfaction with economic conditions is therefore undoubtedly the result of the fact that the major portion of the population has not come anywhere near achieving the average standard of

living of the more highly industrialized countries or of their own well-to-do classes. It is only natural for them to wish to achieve a greater rate of progress.

Furthermore, Latin American officials fear that the outlook for maintaining even the present rate of progress is not especially good, owing to a decline in the demand for, and falling prices of, a considerable number of their export products, such as tin, copper, and lead and zinc during the past 2 years. Our Latin American neighbors are understandably concerned over the situation.

Inflation

There are other reasons, however, why there is dissatisfaction among the masses of the people. One is that inflation in many countries is rampant and that it is hard to keep real incomes from falling, under such conditions. For example, the cost of living in São Paulo, Brazil, is reported to have risen from an index of 100 in 1948 to an index of 162 in 1953, and in Santiago, Chile, from 100 in 1948 to 256 in 1953. The cost of living in the United States during the same period rose from 100 in 1948 to 111 in 1953.

Although there has been a widespread increase in government assistance to labor in the field of social security in Latin America during the past 15 years, this in many cases has been financed through inflation and a system of taxation which have placed the bulk of the burden back on the workers. Furthermore, a considerable number of Latin American countries do not have inheritance taxes and progressive income taxes. Even where such taxes exist the rates are low and collection is often not fully effective.

An additional reason why there is not greater popular satisfaction with the rate of economic progress made in Latin America in recent years is the fact that, even though average per capita income has increased, there are large segments of the population which apparently have not benefited. In this connection the Mexican experience is enlightening. Mexico is among the Latin American countries that have done most to keep inflation in check. Furthermore, few Latin American countries have done more than Mexico to develop a middle class or to lessen the extremes of income between its poorer and wealthier classes. Its rate of economic progress from 1939 to 1950 was truly remarkable. Capital accumu-

lation during this period was unprecedented. There was a great increase in real income which permitted a considerable rise in total consumption. The following information, which is taken from the Report of the Combined Mexican Working Party entitled "The Economic Development of Mexico," indicates, however that the increased income has not been evenly distributed. There has been a shift in favor of profits, and against wages and salaries. As a result, a large part of the increase in consumption during the period 1939-50 was enjoyed by a small part of the population. About $\frac{1}{2}$ of the national income was paid in the form of profits, rents, and interests to a relatively small part of the total population. On the other hand, large numbers of persons received low incomes.

Furthermore, workers in different regions of the country were affected differently by the increase in average real income. The standards of living for industrial workers and for agricultural workers in the new agricultural regions were above those in the older unimproved farming areas, and no significant improvement was discernible in the real income of farmers in the old areas or in the real income of industrial workers as a group. The position of a large number of individuals during this period was nevertheless improved, since they shifted from other types of activity to industry where wages were generally higher.

In one very real sense the rate of progress made in Latin America during the period in question was to a large extent the result of a situation which cannot be relied upon for continued progress. The principal reason for the progress was an improvement in Latin America's terms of trade, i.e. an increase in the prices of their exports in relation to the prices of their imports. There has not been the increase in economic productivity, especially in the export industries, that will be required if Latin America is to continue to increase its per capita national income. It appears that there has actually been no increase in the physical volume of Latin American exports since 1948.

Attitudes of Labor and Management

The working class has had its desires for high standards of living greatly stimulated. By defi-

nition, the raising of living standards would require a great increase in production. However, the workers often do not wish to increase their hours of work per day or week, which are often small (the necessity for choosing between leisure and greater income has not been appreciated), or to cooperate with management in raising productivity. The reluctance to increase their own productivity is based in part on suspicion of their employers and fear that increased productivity will only lead to more unemployment, or underemployment, of which there is now admittedly too much. In part this suspicion is warranted, because the management and the owners have often not yet adopted or approved the system of large-scale production and small unit profits. With some exceptions, both labor and management in Latin America will have to change their attitudes before there is to be a significant increase in productivity. There are encouraging signs in some countries that this is being done.

The Communists of the area and other anti-United States elements find the conditions which I am describing tailor-made to their purpose of fomenting local discontent and antagonism against the United States and United States companies operating in Latin America. For example, one of the standard arguments of the Communists is that the United States is trying to exploit the Latin American countries through private United States companies. Actually, insofar as productivity has been improved in Latin America, the United States-owned enterprises have made an important contribution. Furthermore, the import of capital which is put to productive uses can and does make it possible for capital-scarce countries to maintain a higher level of consumption than if they had to reduce consumption to the extent necessary to provide all the capital that they use out of domestic savings. The Communists and their associates, nevertheless, continue to urge that foreign-owned enterprises be nationalized and that further foreign capital not be allowed to enter the country. Fortunately, there appears to be a slowly growing recognition of the importance of productivity and capital in some labor circles.

The efforts of the Communists to sow discontent and discord are often made easier by other Latin American citizens, sometimes people in official positions, who increase misunderstanding by speaking and acting as though there were simple

solutions to Latin America's problems. For example, the view is often expressed that Latin America's failure to make greater progress is the result of the fact that the more highly industrialized countries pay Latin America too little for its raw materials and charge it too much for industrial products. Often these same individuals argue, apparently without considering that there is any inconsistency between the two positions, that Latin America should increase its duties against imported industrial products because they are so efficiently produced that the Latin American countries cannot compete with them without substantially increased tariff protection. It may be noted, furthermore, that it is common for the United States not to impose any duty on imports of most raw materials from Latin America, whereas it is rather general for the Latin American governments to tax the production or export of such materials, sometimes to the point of virtual confiscation. Should they choose to do so, the Latin American countries are, accordingly, often in the position both to reduce the price to their consumers of imported industrial products and to increase the returns to their producers of raw materials.

The contention is also often made by Latin American representatives that the more highly industrialized countries should assure their economic progress by undertaking to stabilize the prices of their raw materials in terms of the prices of industrial products.

Terms of Trade

Actually, as has been suggested earlier and as a recent study made by the Pan American Union indicates, from the outbreak of the Second World War to the present time the terms of trade of the Latin American countries as a whole, of the majority of the individual countries, and of most individual Latin American commodities have been very favorable. In recent years they have been at approximately the same level as at the beginning of the century. From 1937 to 1953 they became increasingly favorable to Latin America. As has also been suggested earlier, the experience of the Latin American countries during this period is an indication of the fact that high prices for their products have not been a panacea.

The terms of trade are, in fact, only one of the many factors which may influence the welfare of

a country. For example, the terms of trade do not give sufficient weight to volume, which in the case of many products has often been a dominating element in the determination of international prices. The terms of trade also do not include any consideration of improvement in quality which customarily occurs over any extended period of time, especially in the case of industrial products. The terms of trade may not, therefore, reflect the real prosperity of a country and they are likely to be even less of an indication of the prosperity of individual economic classes within a country. Venezuela and Brazil might be taken as random examples. The new President of Brazil, in a radio address last month, described the precarious economic situation existing in his country. This situation developed although the terms of trade were twice as favorable in 1952 as in the period 1935-39, and although it appears, even though complete statistics are not yet available, that its terms of trade for 1953 were at least as favorable as for 1952. On the other hand, Venezuela's progress and present prosperity are well-known to all observers of the Latin American situation, even though the terms of trade of her chief export product, petroleum, which constitutes regularly over 90 percent of her total exports, improved by less than 30 percent between the period 1935-39 and 1953.

Coffee Prices

The fact that high prices are not necessarily beneficial to the producers of a product might be illustrated with particular reference to coffee. There was an increase of more than 10-fold in the price of coffee in Brazil between 1937 and November 1953, before the price increase last winter. This increase was largely the result of the fact that Brazil, the world's largest producer of coffee, is now producing considerably less coffee than in the period before the Second World War, while world consumption of coffee is, of course, much higher. The price increase was not, however, an unmixed blessing, especially to the coffee growers and more particularly to the workers. The exchange earned from coffee was one of the important factors which accounted for an expansion of the currency in the coffee-producing countries, and this and other factors brought about the inflation that I have referred to earlier. During the period 1937-53 the cost-of-living index in

São Paulo, the principal coffee-producing region of Brazil, increased from 22 to 166, more than seven-fold. Considerably more than half of the increased return was, therefore, required to pay increased costs of living. Furthermore, as a result of governmental policy in many of the coffee-producing countries, including Brazil, the exporter was required to convert his exchange in a controlled market under such terms that the coffee industry was forced to subsidize other activities. The result was that the benefit of the increased coffee prices went only to a limited extent to those who worked coffee lands, especially the laborers.

What I have said about coffee and about dissatisfaction in Latin America with its economic conditions suggests that high prices, or even economic development itself, alone, may not be enough to meet the needs of the people, especially the poorer classes.

This leads me to a further generalization about Latin America, namely, that it is an area likely to be faced by increasingly complex problems which have no short-term solution, for which it must continue, as in the past, to find answers largely on the basis of its own resources, industry, and genius. In order to provide increased standards of living for its people it must use its resources wisely. It must increase its economic productivity not only by the application of improved techniques of production but through the industriousness of its people.

It must find a proper balance between the various segments of its economy. Agriculture, industry, and transportation must be developed in harmony. In some of the Latin American countries this will require increased attention to agriculture, where per capita output is now less than it was before the Second World War. For example, considering 1948-49 as 100, per capita agricultural output in Latin America in the period 1934-38 was 107, and in 1952-53 it was 101. This means that the area is now less able to feed itself than it was prior to the beginning of the Second World War. Comparable figures for the United States are 84 in the 1934-38 period and 112 in the 1952-53 period.

Specialization vs. Diversification

Another problem faced by Latin American countries in increasing average living standards will be to strike a proper balance between spe-

cialization and diversification of industry. At the present time most of the Latin American countries are heavily dependent on one, or at best three or four, raw materials and foodstuffs. For example, tin is the bellwether in Bolivia; nitrates and copper in Chile; sugar in Cuba; coffee in Brazil, Colombia, El Salvador, and Guatemala; meat and wool in Uruguay; petroleum in Venezuela; and lead and zinc in Mexico. The principal reason for this situation is probably the fact that the Latin American countries can purchase a greater volume of foreign goods through specializing in these commodities than by producing other commodities. They rely upon the foreign exchange received from the export of these commodities to pay for most of their imports of consumer goods and of capital goods needed for economic development and for servicing foreign investments. If the countries continue, as will apparently be necessary, to rely on foreign imports and on foreign investment, they must maintain healthy conditions in these basic export industries. On the other hand, so long as they are heavily dependent on these industries, their economies are especially vulnerable to fluctuations in the world prices of the commodities in question.

Another problem faced by the Latin American countries is to reach the proper balance between encouraging savings and investment, on the one hand, and permitting consumption levels to rise, on the other. If income were equally distributed in Latin America, it is probable that the rate of savings would be less than at present, since the small amount of increase in income that the average citizen might receive initially would be much more likely to be spent to satisfy consumption needs than to be saved. It would be helpful to the masses in Latin America, however, if some way could be found of inducing the well-to-do to put a larger portion of their savings into productive undertakings. At present inflation and other conditions often lead them to invest in real estate or in foreign countries, rather than in productive enterprises at home.

Another very difficult problem for the Latin Americans is to determine the extent to which their development will be financed by local savings and by foreign investment. The most readily expandable source of economic development funds is undoubtedly private foreign capital. The economic development process could undoubtedly be

speeded up if local conditions were made attractive to such capital. On the other hand, this may involve the problem of absentee ownership and may run counter to nationalistic desires for local ownership and operation of industry.

Just one final generalization. Latin America is an area in which we have many vital interests and with which we should accordingly cooperate to the extent that we and our Latin American neighbors can find mutually desirable programs. Except for Canada, many of the countries of the area are our closest neighbors. It contains regions of great strategic importance from the viewpoint of the United States and Western Hemisphere defense. It produces many raw materials that are important to us in peace and war. From the standpoint of military defense of the hemisphere our role is, of course, of crucial importance to the Latin American countries. Commercially, they are dependent upon us as a market for about half of their exports. In the case of the countries which are geographically closer to us and in the case of some commodities such as coffee, we purchase a much larger portion of their exports—our exports to Latin America are equivalent to about 20 percent of our total exports. We have always been closely bound together with them and they and we have generally cooperated effectively together. I am sure that close cooperation between ourselves and them will continue, notwithstanding many differences of opinion, because it will continue to be in our mutual interest to cooperate and to resolve our differences in a spirit of understanding and accommodation.

Arrival of Pakistan Prime Minister

*Remarks by Acting Secretary Hoover*¹

May I express my deep pleasure at the opportunity afforded me personally and on behalf of Secretary Dulles to welcome you on your return to Washington. We in the United States are particularly proud of the many bonds of friendship which link the peoples of Pakistan and the United States. Your previous residence here as Ambas-

¹ Made at Washington National Airport on Oct. 14 on the arrival of Prime Minister Mohammed Ali and Begum Ali (press release 578).

sador of your great country has made you well known to Americans of many walks of life. Thus it is with a sense of greeting old friends that we who are gathered here welcome you. May your visit be a most pleasant one for you both.

National Olympic Day, 1954

Proclamation 3069¹

WHEREAS the XVIth Olympic Games of the modern era will be held at Melbourne, Australia, November 22 to December 8, 1956, with Winter Games to be held at Cortina d'Ampezzo, Italy, January 26 to February 5, 1956, and the Pan American Games will be held at Mexico City in March 1955; and

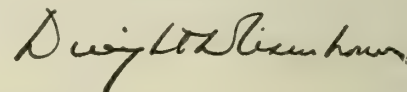
WHEREAS by a joint resolution approved April 22, 1954 (68 Stat. 58), the Congress has declared that these games will afford an opportunity of bringing together young men and women representing more than seventy nations, of many races, creeds, and stations in life and possessing various habits and customs, all bound together by the universal appeal of friendly athletic competition; and

WHEREAS the said joint resolution calls attention to the fact that the United States Olympic Association is presently engaged in assuring maximum support for the teams representing the United States in these athletic contests, and requests the President to issue a proclamation designating the sixteenth day of October 1954 as National Olympic Day:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby designate Saturday, October 16, 1954, as National Olympic Day, and I urge all citizens of our country to do all in their power to support the XVIth Olympic Games, the Winter Games, and the Pan American Games so as to insure that the United States will be fully and adequately represented in these games.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this second day of October in the year of our Lord nineteen
[SEAL] hundred and fifty-four, and of the Independence of the United States of America the one hundred and seventy-ninth.



By the President:

WALTER B. SMITH
Acting Secretary of State.

¹ 19 Fed. Reg. 6469.

Nuclear Physics, A Triumph of Man's Mind

by James B. Conant

U.S. High Commissioner for Germany¹

When I lay in the sand of Alamogordo on July 16, 1945, waiting for the first atomic explosion in the history of mankind, I would never have thought that one day I would open in Berlin an American exhibit devoted to the peaceful and constructive applications of atomic energy. While I was waiting in the dawn of that summer day, I discussed with some of the nuclear physicists present the probabilities as to the successful outcome of the experiment. For, as everyone now knows, we could not be then certain that an atomic explosion was possible.

In the course of our discussion someone mentioned the fact that we had once feared that, if an atomic explosion occurred, this would set off an uncontrolled chain reaction of the nitrogen in the atmosphere and the world would go up in flames. Exact calculation had already proved conclusively that such fears were pure nonsense: A nitrogen chain reaction could not occur under any circumstances. Nevertheless, this idea of an uncontrolled chain reaction was evidently still in my subconscious mind. When the incredibly powerful light of the first atomic explosion appeared, the irrational thought hit me: The whole world has gone up in flames. Such was the deep impression made on me by the first atomic explosion in the history of man.

The tremendous sound of the explosion 10 miles away reached us only after what seemed like an interminable minute. But long before I heard the explosion, the devastating picture which my fan-

tasy had momentarily conjured up had disappeared and I was face to face with reality—a reality which was terrible enough. Mankind is faced with great and difficult problems—that much is certain—but on the other hand we do not have to reckon with the fear of a world explosion, nor indeed with the fear of the radioactive poisoning of the entire atmosphere of this globe.

Tonight, however, I do not propose to talk about the military applications of atomic energy nor the political problem which the release of atomic energy has brought with it. For the exhibition which we have prepared here in Berlin deals with quite different aspects of atomic energy.

Tonight, rather, I want to devote my lecture to the peaceful uses of atomic energy. It is an interesting fact that in America we knew soon after the wartime development had begun that a controlled chain reaction was possible, but none of us could be sure whether an explosive chain reaction could be brought about. Only the laws of nuclear physics could give an answer to that question, and they were then still partially unexplored.

Controlled Chain Reaction

Let me say a few words about the controlled chain reaction. In this connection I would like to tell another personal story, if I may be permitted. Some of you may already have read it in the two articles which Mrs. Fermi, the wife of the great Italian-American physicist who played such a decisive role in the release of atomic energy, has published in the *New Yorker* magazine.

It was he who brought about the first controlled chain reaction toward the end of 1942 under the grandstands of the football field at Chicago University. As soon as the remarkable experiment

¹Address made on Sept. 24 at the Berlin Technical University on the occasion of the opening of the U.S. exhibition "The Atom" in the 1954 German Industrial Exhibition (Hicog press release).

had been successfully carried out, I received a long-distance call from Dr. Arthur Compton, the director of the Chicago atomic research project. In this telephone conversation he said, in accordance with a prearranged code, "The Italian navigator has reached the new world."

"And what is the attitude of the natives?" I asked excitedly. "Extremely friendly," replied Compton.

It was thus I knew the first controlled chain reaction had succeeded.

Some of you may ask: "What exactly is a controlled chain reaction?" That is exactly what our exhibit will explain. In fact, we have constructed there an apparatus which does not differ very much from the first atomic pile which Fermi put in operation at Chicago University in December 1942.

I am not going to try to outline tonight those portions of theoretical physics which you will find explained repeatedly in our exhibition. Such an exposition might be considered presumptuous on the part of an organic chemist. For there is a certain rivalry between chemists and physicists, one that, I hope, is always friendly. But physicists do not relish having a chemist venture into a field which is their own. But now back to my subject.

Those of you who know the theory may chiefly be interested in the models, instruments, and equipment displayed at our exhibition. For the others I hope that our exhibition may be an instructive introduction into the new science of nuclear physics.

Surely one must admire the intelligence of man which has enabled him to produce a controlled chain reaction. But what is the controlled chain reaction good for? May I emphasize again that I am not talking about the explosive chain reaction nor about the political problems which it has created. The controlled chain reaction in a nuclear reactor produces energy in form of heat on the one hand and chemical elements with strong radioactivity on the other. These may be produced either as byproducts of nuclear fission or by subjecting elements to neutron bombardment within the reactor.

Atomic Power for Industry

I have just mentioned that a nuclear reactor can produce energy which can be used to run steam engines or to produce electric power. I feel that

so much has already been written in the newspapers about the atom as a source of energy that I need not dwell on this subject, nor shall I discuss the economic feasibility of using atomic power for industrial purposes. But I do want to emphasize one point. The basic technical problems have long since been solved. It is the economic application of atomic energy for industry which must still be developed. As you know, I am sure, President Eisenhower gave the signal on September 6 which started the construction of the first American atomic power plant.² Four more experimental plants will be built soon, and these five power plants are destined to help solve the problems connected with the economic production and use of atomic energy.

The reactor as a source of industrial energy still lies in the future. But the use of radioactive products, on the other hand, is already a matter of great importance, for they have become invaluable tools of scientific research. Today they may be regarded as the most important result of the entire reactor program. In America radioactive materials have been produced for several years in commercial quantities, and they are shipped to more than 50 foreign countries. In England, particularly at Harwell, similar programs have been developed. For substances whose radioactivity is short-lived, England naturally remains the principal supplier for Europe.

In order to give you an idea of the quantities of radioactive materials produced, I would like to refer to a single experiment being carried out at Brookhaven. This is the so-called Gamma Field, where the effect of such radiation on plants is studied. The source of radiation used there, a small block of radioactive cobalt, is only one of many similar sources used in numerous American laboratories and research institutes. But this one source has a radiation power of 1,800 Curies, the equivalent, that is, of 1,800 grams of radium. This may not impress you unless I tell you that there are only 1,500 grams of radium available in the world today.

I have so far spoken of only one of the applications of radioactive materials. Several of the other applications, because of their particular type of radiation, are an extremely practical and cheap substitute for X-ray machines. Many have

² BULLETIN of Sept. 20, 1954, p. 396.

greater intensity of radiation than radium. This tremendous power of radiation makes artificially produced radioactive materials extremely dangerous for human beings. It is no exaggeration to say that the protective techniques which have made the handling of such materials possible constitute a veritable triumph of human ingenuity.

When you go to the exhibit, you will find in the center of the main hall the actual apparatus which has been constructed to enable a person to carry out experiments behind a protective wall. The magic hands which are thus operated from a distance are almost as skillful as the human hand itself. But I must give a word of caution, not to warn you against possible dangers of the terrific radiation or poisoning—which, in fact, is present when this apparatus is used. This warning does not concern any possible dangers from radioactivity or poisoning. Quite the contrary. I must warn you that what you will see are harmless models.

I have spoken of the use of some of the radioactive products of an atom pile as a substitute for a Roentgen tube. Let me remind this audience of the significance of the great discovery made by Roentgen when he was professor at Würzburg in the last part of the 19th century. The news of this great discovery was soon broadcast to the world, and rapidly physicians realized that the medical profession had been given a most valuable tool. This was followed by the discovery of radium, which is used for very special purposes, particularly in the therapy of cancer. Today the reactor has given us a whole series of radioactive elements which, even in small quantities, are more than a complete substitute for Roentgen and radium radiations. When you visit our exhibition, you will find interesting displays showing the use of radioactive iodine in the diagnosis of thyroid cancer and its metastases as well as in the localization and therapy of brain tumors.

Radioactive Materials in Research

Radioactive materials open new possibilities not only for the physician but also for the scientific researcher which are not as striking but may be just as important. The use of radioactive materials in scientific research is difficult to explain in nontechnical words. Some of these materials are called tracers because they enable the scientist to follow complicated chemical reactions with

great precision. In fact, one can follow these processes with the Geiger counter very much the way a dog follows the trace of a rabbit with his nose. This comparison may be made clearer by two specific examples. Both cases show how a radioactive element, the radioactive form of carbon, has been involved in the solving of secrets of nature.

I have a personal interest in the first case, as one set of experiments in this field was described in a paper published in 1941 which carried my name among others, although my own contribution to this work was small. In those days radioactive carbon could be made only in very small quantities and with great difficulties in the laboratories. Today it is produced in relatively large quantities like many other radioactive materials, and production costs are considerably lower. In this initial experiment carbon dioxide was used which contained radioactive carbon and was therefore radioactive itself. In experiments with living animal tissue a very surprising discovery was made: Some of the carbon dioxide was absorbed by this tissue and converted into sugar-like carbohydrates. Many of you will think that this was hardly a revolutionary discovery. In fact, this observation was so unexpected that the experimenters felt at first they must have made an error; for according to one of the basic postulates of biochemistry, animal tissue could not assimilate carbon dioxide but rather produce it by the oxidation of carbohydrates. It was another accepted postulate that assimilation of carbon dioxide by a living cell and its conversion to a carbohydrate only took place in green plants under the influence of light.

These postulates have now been shown to be completely false. Many animal and plant cells convert carbon dioxide into sugar, and each step in this process has been followed in considerable detail by following the trace of the radioactive carbon. I regret that I cannot give you more of the details, fascinating as these details and their consequences are for the scientist. Let me just give you the conclusion reached on the basis of these experiments: Green plants convert carbon dioxide into carbohydrates under the influence of light; many animal tissues are able to accomplish the same transformation, the required energy provided by the oxidation of some other sugars to carbon dioxide.

Relation to Archeology

Now let me jump from biochemistry to archeology. One of the most difficult problems which often faces the archeologist is the dating of ancient discoveries. The second example I want to describe to you illustrates one of the most interesting and most recent applications of radioactivity. Here, however, we are not concerned with an artificially produced radioactive material but rather with one that is found in nature. This method was developed by an American physical chemist, Willard F. Libby, of Chicago University.

In the upper atmosphere a small percentage of nitrogen is constantly being transmuted into radiocarbon through the bombardment with cosmic rays. The percentage of this radiocarbon in the atmosphere is unbelievably small and at the same time constant: one atom of radioactive carbon to 1,000 billion atoms of ordinary carbon. The radiocarbon is oxidized to carbon dioxide, which is absorbed by plants together with ordinary, non-radioactive carbon dioxide. Thus, radioactive carbon gets into the tissues of all living organisms in the same relative quantities as mentioned before: one atom of radioactive carbon to 1,000 billion atoms of ordinary carbon dioxide.

Thus, when a plant or animal dies, the amount of radioactivity in its tissues, which is extremely small, corresponds to that in the atmosphere. After about 5,500 years—the so-called half life of radioactive carbon dioxide—half of the carbon 14 has undergone decomposition and its radioactivity is thus only half of what it was initially. After about 11,000 years it is only one-quarter, and so on. Accordingly, by determining the radioactivity of any matter containing carbon dioxide, one can determine how many years ago it acquired the carbon dioxide from the atmosphere.

I must point out that these measurements are extremely difficult and can only be carried out with instruments of the utmost sensitivity. Nonetheless, it is possible to date archeological discoveries that are from 1,000 to 20,000 years old with an accuracy of about 200 years.

The accuracy of this method of radiocarbon dating was checked by measuring the radioactivity of a piece of wood taken from the inside of one of our giant California sequoia trees. The age of this tree was known accurately through the number of its annual rings.

One of the interesting conclusions that have been

reached is that the last glaciation of the Northern Hemisphere occurred about 11,000 years ago and that the famous cave paintings in the Lascaux cave near Montignac in France are about 15,000 years old. Linen wrappings from the Dead Sea scrolls of the Book of Isaiah, which were recently found in Israel, were determined to be about 1,900 years old.

If you have understood my explanations, you will have noticed that the two examples that I gave you are actually closely connected. Both have in common the assimilation of carbon dioxide by organic tissue. As a former professor I have a weakness for practical illustration. We have here a Geiger counter. I do not want to describe this instrument in detail. Suffice it to say that it reveals the presence of radioactive radiation. If this rose had been grown in an atmosphere containing radioactive carbon dioxide or with the use of radioactive fertilizer, it would itself radiate and affect a Geiger counter.

Unfortunately, it would take too long for a plant to absorb carbon dioxide for anyone to demonstrate such a transformation in the course of a single lecture, but I am going to place this rose in water containing a radioactive phosphorus compound. Perhaps later I shall see whether or not I can convince you that there has been any assimilation of the radioactive material. Long ago I learned to be cautious about doing experiments before audiences. In the days when I was a chemistry professor, I had more than one failure in such attempts. What I predicted sometimes did not come to pass. On one such occasion an elderly visitor to my lectures came up afterward and said, "Young man, you would do better as a lecture demonstrator if you spoke after the event as an historian and not before the event as a prophet"—a piece of advice which I must say has stood me in good turn in my new profession. But of political matters I do not propose to speak tonight.

The United States Government is contributing the exhibit entitled "The Atom" to the annual Berlin Industrial Fair because in the United States there were brought to a focus the results of what may be thought of as a great international undertaking. One may well consider the results achieved in the last 15 years as a great accomplishment of the creative human spirit. As an American I am proud of the part American scientists have played. And it is highly satisfactory to re-

member that in this endeavor they worked closely with certain great scientists who were refugees from the totalitarian regimes of Europe and who found asylum in America. Let me name here Szilard, Wigner, Teller, Weisskopf, and Fermi.

History of Atomic Physics

At this point may I remind you of some of the more important steps in the history of atomic physics in this century. Radioactivity was discovered by the Frenchman Becquerel in 1896 and studied thoroughly by Pierre and Marie Curie who, 2 years later, discovered and isolated radium. In 1919 the English physicist Rutherford transformed an atomic nucleus for the first time. By bombarding a few atoms of nitrogen with alpha particles—that is, nuclei of the element helium—he succeeded in transforming them into oxygen. The next decisive step was the discovery of neutrons, this electrically neutral particle which alone makes possible the release of atomic energy through a controlled chain reaction. On the basis of experiments made by Booth and Becker in Germany in 1930 and Irene Curie and Frederic Joliot in France in 1932, and on the basis of his own calculations, the Englishman Chadwick predicted the existence of neutrons and then proved this experimentally.

The discovery of the neutron opened a new chapter in experimental physics. It is hard to overestimate the importance of the new methods which were developed in a field which we have already learned to call neutron physics. The bombardment of elements with neutrons provided a way of carrying out many transmutations. The bombardment of the element with the greatest atomic weight, namely uranium, produced some strange effects which were at first misinterpreted. In January 1939, Professor Otto Hahn together with Fritz Strassmann made the remarkable discovery that in the process of the bombardment of uranium with neutrons there appeared elements of about half the atomic weight of the original uranium. This discovery was made here in Berlin, and I am delighted that Professor Hahn is with us here in this city tonight.

This discovery of Hahn and Strassmann was quickly made known to the scientific world and set up an intellectual chain reaction in which the names of Frisch, Meitner, Bohr, and Fermi are particularly connected. In the United States the

news spread by word of mouth that in all probability what was at hand was an atomic fission. This was soon verified by experiments in many laboratories. Within a year more than a hundred experimental papers had been published. By the beginning of 1940 it was clear that one of the uranium isotopes would undergo atomic fission when bombarded with neutrons and in the process liberate more neutrons. Thus, the possibility of a chain reaction on a large scale had to be considered. It seemed that man was on the verge of demonstrating what Einstein had predicted more than 35 years before—namely, that matter could be converted into energy.

In the meantime Europe had gone to war. American, English, and Canadian scientists—with generous assistance of American industry—began to work feverishly, mostly on American soil, to solve the problem of how to release atomic energy on a large scale. What these scientists accomplished can truly be called a miracle of research. Once again, I am not referring to the atomic bomb but to the enormous collective scientific achievement that the solution of the thousandfold problems of releasing atomic energy on a large scale required. On the basis of experiments with matter available only in such minuscule quantities that they could not be made visible even with the best of microscopes, computations were made with the aid of extrapolation leading up to the construction of an atomic pile. The enlargement factor involved amounted to about 10 billion.

As an organic chemist dealing with the reactions of molecules I must confess that I was highly skeptical when my friends the physicists first told me of their plans. They proposed to release atomic energy by the fission of a kind of uranium which constitutes only approximately one-half of one percent of natural uranium. This isotope known as U-235 they considered to be the best fuel for a controlled chain reaction. In order to raise the probability of the fission of this isotope they proposed to reduce the speed of the liberated neutrons by having the equivalent of a break. According to the physicists' calculations it would be possible to control a chain reaction if uranium and a so-called moderator designed to slow down the fast neutron were piled up in layers. Such a construction came to be known as an atomic pile. According to theory it seemed certain a minimum mass of uranium—the critical mass—would be

needed before the chain reaction became self-sustaining, but the exact size of this critical mass could not then be calculated accurately. And when plans for an atomic pile were first drawn up in 1942, one did not know whether it would have to be the size of a table or as large as a football stadium. In our exhibition you will find a full-size replica of a typical so-called graphite reactor not unlike the first one built in Chicago.

A Triumph of Man's Mind

I am very much tempted at this time to speak in more detail not only of the model of the reactor which you will see but of the other models which are shown in our exhibition. But since you will all have an opportunity of seeing these things for yourself, I shall not speak further about the exhibition. Rather let me, in conclusion, return to the title I have given to this lecture, namely "Nuclear Physics, A Triumph of Man's Mind." In so doing, I am clearly drawing your attention to the pure scientific aspects of the whole undertaking, and in this connection an old story comes to mind. A distinguished German theoretical physicist was once asked to give a lecture on the relation between pure and applied physics. His speech was very brief. He said: "The relation is very simple—the two have nothing whatever to do with each other."

That he had slightly oversimplified the situation, I hardly need to point out this evening. Nevertheless, the story has point here tonight, for some of my listeners may have forgotten, as they have listened to the mass of technical details I have expounded, the exciting development of the basic scientific ideas. For I have dwelt at some length this evening on the significance of the new discoveries in the field of nuclear physics for everyday life. When you visit our exhibition you will see for yourselves the benefits that have arisen for mankind out of the scientific developments of the last 20 years. Artificially radioactive materials are used today, and will be used even more in the future, in medicine, in agriculture, and in innumerable other scientific fields. I need not delve into the immense possibilities arising out of the production of energy and heat by controlled chain reaction. But let us forget the practical uses of atomic energy. Let us look at the history of the development of nuclear physics in the same spirit

as we would listen to a symphony or an opera, or gaze at an architectural monument, or look at a painting.

It is often difficult for the layman to realize to what extent the entire history of nuclear physics has been the result of the amalgamation of the intellectual powers of many men from many nations and through many periods of history. I am not referring primarily to the fact that after 1940 a large group of scientists worked together day by day. I am thinking rather of what may be called the unconscious intellectual collaboration of scientists who worked independently over many years. The people I have referred to in this lecture must be regarded as forming only the last link in a great chain of scientists who have been concerned with the structure of matter and the relation of matter and energy. It is the work of this whole host of scientists who have developed new concepts and tested them by experiment that has laid the solid foundations, the results of which have come to a climax in our controlled release of atomic energy.

The nonscientist often believes erroneously that such material achievements as the release of atomic energy are the results solely of experimental work and of engineering skill. He sometimes imagines that the experimenters pursue their goal by a mere trial and error method. Such an idea is completely false. The example of Einstein's famous formula relating energy and matter serves to show the significance of new ideas of a highly theoretical nature. Indeed, new concepts are often considerably more important than the results of experiments, and in fact many important discoveries of an experimental nature are the result of new conceptual developments. Scientific theories are best regarded as guiding lines which indicate to the scientist a fruitful line of experimentation. In the extraordinary and totally unexpected developments of nuclear physics, mathematics has played a decisive role, for example.

I have used the word unexpected in the preceding sentence advisedly. For one of the most fascinating aspects of the history of the development of atomic energy comes to light when one remembers what was said a short time ago by the best informed scientists about the nature of the universe. You will find on the exhibition wall a definition of an atom which goes back to the early Greeks and which would have been subscribed to

by all scientists as late as the beginning of this century. This is the definition that the atom is a particle which cannot be split any further. Now we accept as a matter of course the illogical statement that nuclear physicists are concerned, among other things, with the splitting of something that cannot be further divided—namely, an atom.

Today, most of us take for granted that a chain reaction involving uranium can bring about the liberation of energy by the conversion of matter into energy, and we glibly say that this is but a demonstration of the truth of Einstein's famous formula, "Energy equals mass times the square of the speed of light." Indeed, the repetition of this formula even in the daily press has made it almost a household word. But let me remind you of what an outstanding physicist of two generations ago said about the same subject. I quote from a lecture of Professor Tate in 1876: "The grand test of the reality of what we call matter—the proof that it has an objective existence—is its indestructibility and uncreatability, if the term may be used, by any process at the command of man." And describing how the chemist can count on exactly the same amount of matter at the end of a series of chemical transformations as at the beginning, the lecture concluded: "This, then, is to be looked upon as the great test of the objective reality of matter."

I should be trespassing far beyond the limits of this lecture if I attempted to discuss the impact of the developments of the new physics on the basic postulates of the philosopher. I would like only to point out the revolutionary effects of the whirlwind development of nuclear physics on some of the basic premises of our thinking, and I am using revolutionary not in the sense of a rebellion against the past but in order to emphasize the breathtaking speed with which the human spirit has been able to pile one new thought and one new discovery upon the other.

It is therefore with a feeling of reverence and awe for what the human spirit can accomplish that I ask you to enter the doors of the American exhibit on the atom.

The history of the last 300 years is a proud record of what human beings can accomplish through the manipulation of ideas. It is a story of the flowering of the creative powers of the human intellect. In this troubled period of history under the shadow of fusion and fission bombs, we do

well to stress this phase of modern life. To have constructed a great fabric of new concepts and conceptual schemes, arising from experimental observation and fruitful beyond measure of new experiments, is an achievement which, as long as there is recorded history, must be regarded with the greatest admiration. Like the Parthenon and the cathedrals of the Middle Ages, the scientific theories of the 19th and 20th centuries stand as witnesses to what the human spirit can accomplish. With such thoughts in mind, I now declare the American portion of the Berlin Industrial Fair open, since I shall not have the privilege of participating in the official opening tomorrow at the appointed time.

Exchange of Messages on Trieste Accord

On October 5 President Eisenhower sent messages of congratulations on the Trieste accord to Luigi Einaudi, President of the Republic of Italy, and Marshal Josip Broz-Tito, President of the Federal People's Republic of Yugoslavia. On October 9 the President received replies to these messages. Texts of the four messages follow:

President Eisenhower to President Einaudi

I wish to convey to you my profound gratification and that of the American people at the achievement of an agreement on the delicate Trieste problem. This agreement, worked out through long months of difficult but friendly and constructive endeavor, gives testimony to the far-sighted statesmanship and good will of the government of Italy. It is my earnest hope and expectation that this arrangement will usher in a new era of fruitful collaboration that will contribute to the prosperity and security not only of Italy and Yugoslavia but of all the free nations of Europe. We agree, I am sure, that this fine example of the ability of neighbor nations amicably to settle extremely difficult questions will be highly reassuring to our own peoples and those of friendly nations throughout the world.

Please accept, Mr. President, my heartfelt congratulations at the efforts which you and the members of the Italian government have exerted

to make possible this agreement which has so materially contributed to the possibility of maintaining peace in the world.

Sincerely,

DWIGHT D. EISENHOWER

President Einaudi to President Eisenhower

Mr. President, Ambassador Clare Boothe Luce has personally delivered the message you have addressed to me at the moment of the conclusion of the agreement on the problem of Trieste and I wish not to delay in telling you how gratifying is for me this most valuable evidence of the satisfaction with which the American people and their President have welcomed the event.

You have stressed the farsighted and constructive spirit that has animated the Italian Government during this arduous diplomatic issue and have availed yourself of the understanding reached between Italy and Yugoslavia to reaffirm your confidence in a fruitful cooperation of the two bordering nations and in the help that the mutual relations among all peoples will derive from it.

The agreement arrived at by my country will not fail, as you say, to have profound and favorable repercussions on the happier future of a peaceful and strongly united Europe.

In assuring you that Italy is well aware of the friendly contribution brought by the United States of America to the settlement of the question of Trieste, I thank you, Mr. President, in the name also of the Italian Government, for the noble expressions contained in your message, while I beg you to believe me,

Sincerely yours,

LUIGI EINAUDI

President Eisenhower to Marshal Tito

Permit me on behalf of the American people personally to extend my warm congratulations to you and to the other members of your government at the achievement of an agreement on the Trieste problem. This agreement, worked out with good will, patience and unremitting endeavor, reflects honor upon your government, for the broad, farsighted statesmanship which has made this agreement possible.

I am sure that you share with me the sense of optimism engendered by the agreement. All of

the peoples of the free nations of Europe, as well as the American people, will now be encouraged by this arrangement which opens the way to greater security in Southeastern Europe against any possible encroachment and fosters the hope that improved relations between Yugoslavia and Italy will enhance the general welfare and peace in Europe.

I wish to convey to you my deep gratification at this accord which I am convinced will materially contribute to that which is closest to our hearts, the maintenance of peace, of security and of prosperity in the world.

Sincerely,

DWIGHT D. EISENHOWER

Marshal Tito to President Eisenhower

Permit me to thank you most cordially on my behalf as well as on behalf of the members of the Yugoslav Government for the extremely warm congratulation you were kind enough to extend to me on the occasion of the agreement achieved on the Trieste problem.

I avail myself of this opportunity to thank you for your great efforts in this matter which came particularly to expression in your message sent through Mr. Murphy and which greatly contributed to the overcoming of the last obstacles and to the reaching of an agreement. I fully share with you the sense of optimism that this agreement will have great significance both for the normalization of relations between Yugoslavia and Italy and for the strengthening of peace and security, not only here but generally in Europe.

I wish to convince you that, regardless of the sacrifices Yugoslavia has made for this agreement, I as well as the other members of the Yugoslav Government feel a satisfaction that in this part of Europe a problem has been settled which had worried the world.

Assistant Secretary Robertson Visits Formosa

Press release 569 dated October 11

Assistant Secretary for Far Eastern Affairs Walter S. Robertson left on October 9 for Taipei, Formosa, where he will confer with Chinese Government officials on current and prospective U.S. aid programs.

Mr. Robertson was accompanied by Walter P. McConaughy, Director of the Office of Chinese Affairs, Department of State, and by Frank L. Turner, who is in charge of Chinese aid programs for the Foreign Operations Administration.

American Ambassador to Cambodia Presents Credentials

White House press release dated October 2

White House Announcement

Robert M. McClintock presented his credentials as American Ambassador to Cambodia on October 2. Mr. McClintock, who arrived in Phnom Penh, the capital of Cambodia, on September 30, is the first resident American Ambassador to that country. The United States, which has recognized Cambodia as an independent country since 1950, has until now been represented by an Ambassador resident at Saigon, Viet-Nam, who served concurrently as Ambassador to Viet-Nam and Cambodia and Minister to Laos. A chargé d'affaires has heretofore been resident at the American Embassy at Phnom Penh.

The assignment of a resident Ambassador at Phnom Penh constitutes further recognition by the United States of the completion of Cambodian independence through the full assumption by Cambodia of the powers of self-government.

In a joint communique issued at Washington on September 29 at the end of the United States-French talks on Indochina,¹ it was announced that the channel for French and United States economic aid, budgetary support, and other assistance to Cambodia, Laos, and Viet-Nam would be direct to each state, and that the United States representatives would begin discussions soon with the respective governments of the three states regarding direct aid.

United States economic assistance to Cambodia, as well as to Viet-Nam and Laos, has been provided directly for some time. United States budgetary support for the Cambodian armed forces has until now been provided through the French Government. As soon as arrangements can be made, budgetary support will henceforth be provided directly to the Government of Cam-

bodia. The Cambodian Government is in full accord with this decision to provide assistance through direct channels.

President's Message

When he presented his credentials, Ambassador McClintock delivered the following message from President Eisenhower to Norodom Sihanouk, King of Cambodia.

YOUR MAJESTY: The people of the United States have watched with concern and admiration the struggle of Cambodia against unwarranted Communist aggression. The United States is happy that Cambodia has reaffirmed its independence and that your Kingdom is in a position now to undertake a course which will secure that sovereign freedom for which your people fought.

At this time when Cambodia has so convincingly demonstrated its independence and its stern determination to maintain that independence, I desire Your Majesty to know that my Government will be pleased to consider ways in which our two countries can more effectively cooperate in the joint task of stemming the threats facing your territories and maintaining peace and prosperity in your Kingdom.

With assurances of my personal esteem and high regard,

Sincerely,

DWIGHT D. EISENHOWER

FOA Sends Flood Relief to Nepal

The Foreign Operations Administration on September 27 announced a program to alleviate suffering among the stricken people of Nepal, where recent floods combined with an earthquake have left approximately 1,000 dead and more than 132,000 homeless.

Dr. Alexander Langmuir, Chief, Epidemic Control Programs, U.S. Public Health Service, is now in Nepal making an on-the-spot survey to determine the full extent of the assistance needed. Because of the lack of communication facilities in the country, air reconnaissance of the disaster areas has been authorized.

Meantime, FOA has authorized an emergency expenditure of \$75,000 for the purchase of such badly needed supplies as vaccines and antibiotics, particularly for waterborne diseases.

¹ BULLETIN of Oct. 11, 1954, p. 534.

World Security and the World Health Organization

by David McK. Key

*Assistant Secretary for International Organization Affairs*¹

President Eisenhower in his State of the Union Message this year affirmed that "In the world as a whole, the United Nations, admittedly still in a state of evolution, means much to the United States. It has given uniquely valuable services in many places where violence threatened. It is the only real world forum where we have the opportunity for international presentation and rebuttal."

At times, nations may seem to use this international forum of the United Nations to stress disagreements. Differences of viewpoint are sometimes expressed in harsh terms which are dramatic and make the headlines. Yet the function of the United Nations as a forum is of great value. It has been likened to that of a safety valve which serves to reduce pressures. The airing of disputes through debate often reduces the risk of resort to force. Moreover, a basic principle familiar to democratic countries is that in the long run free debate exposes falsehoods. The discussions in the General Assembly last November were invaluable in demonstrating the falsity of Communist charges that the United States Air Force had employed germ warfare in Korea. A distinguished representative of the medical profession, Dr. Charles W. Mayo, outlined with great skill how the Communists have perverted the use of the "conditioned reflex" technique to obtain false testimony from prisoners.² The General Assembly, representing world opinion and recognizing the emptiness of the Communist allegations, strongly condemned the charges.

¹ Address made before the American Public Health Association at Buffalo, N. Y., on Oct. 11 (press release 563 dated Oct. 8).

² BULLETIN of Nov. 9, 1953, p. 641.

However, the United Nations is far more than an effective and unique world forum. It is, in the words of the President, "sheer necessity" and "a place where the nations of the world can, if they have the will, take collective action for peace and justice."

Before the Minnesota Medical Association last June, I had the privilege of reviewing at length the accomplishments of the United Nations in opposing aggression, in peaceful settlements of disputes, and in setting up machinery which helps to secure and maintain the peace.³ At that time, I also referred briefly to the work of the United Nations and its specialized agencies in the social and economic fields. Since World War II, the United States and other peace-loving nations have taken the lead in developing a number of specialized technical agencies within the United Nations system. The work of these specialized agencies makes headlines only infrequently; yet it is as truly a part of cooperative international action for peace as are the activities of the United Nations itself to which I have already briefly referred. In the longer term, these agencies—the World Health Organization (WHO), the Food and Agriculture Organization (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Labor Organization (ILO), and others—may perform work of great importance in removing the root-causes of war.

The Vicious Cycle

Throughout history, most of mankind has been diseased, hungry, and poorly housed. For 6 out of 10 human beings—for 9 out of 10 in many eco-

³ *Ibid.*, June 28, 1954, p. 976.

nomically underdeveloped areas—these remain the normal conditions of life today. As a result, the stability of half the world is menaced by a vicious social and economic cycle. Poor health means lower productivity; lower productivity means a lower standard of living; a lower standard of living means less food, education, and poorer living conditions; these, in turn, mean poor health. Thus the cycle of misery is completed.

The peoples to whom these conditions are a grim reality are ever more aware that modern technology in economically advanced countries provides a healthier and vastly more abundant life. Communist propagandists are, of course, exploiting this situation by claiming that communism alone provides the solution. Unless this destructive cycle in economically underdeveloped areas is broken, mounting tensions may rend the world in conflict.

This situation gives an immediate urgency to article 55 of the United Nations Charter, under which member states agree to take joint and separate action to promote higher standards of living and conditions of economic and social progress. The specialized agencies are a major means by which nations are acting jointly to these ends. You, as experts in public health, are aware that the World Health Organization is among the foremost in contributing toward breaking the vicious circle I have described and thus helping to eradicate the social and economic causes of war.

The continuing achievements of WHO can be evaluated in either economic and material or in psychological and spiritual terms. I shall refer only briefly to the former aspect, but I should like to discuss more fully the psychological aspect.

Since the creation of WHO, there have been many favorable references to its accomplishments measured in terms of material or economic gain. A recent example is contained in the current WHO *Newsletter* (October-November 1954). Afghanistan, with WHO assistance, is now well on the way to nationwide control of malaria, a disease which each year has sapped the health and economic productivity of one-quarter of its population. By next year, Afghan nationals, trained by the WHO team, will be able to continue their national malaria-control campaign without further aid from international workers. For one-quarter of the population of that country, a crushing burden on productivity will be lifted for the first time.

What this may mean economically can be seen from the results of malaria-control campaigns in nearby countries where, in some areas, crop productivity has increased by one-third.

These material results, multiplied many times over in the many countries which WHO is assisting with a wide range of health activities, are already helping impressively to break the destructive cycle of disease and poverty.

Psychological Contributions of WHO

The psychological or spiritual contributions of WHO to world peace are less tangible than the economic contributions and so far have received far less attention. I am convinced, however, that in the long run they are more fundamental, for they deal with men's minds. WHO, like other specialized agencies, is promoting democratic and not totalitarian ways of life. It is promoting self-respect, self-reliance, and freedom for the individual.

Dr. Leonard Scheele, the Surgeon General of the Public Health Service, in a notable address last June at the Midwest Conference on World Health sponsored by the National Citizens' Committee, emphasized the importance of WHO as "an application of democratic principles." From my own observations of the work of WHO, I heartily endorse this view. It is significant that the Seventh World Health Assembly meeting in May of this year elected as its president an African, Dr. Togba of Liberia. Dr. Togba in his presidential address pointed out that in WHO "the concept of democracy is being translated into action without regard to size or development of a country, race, culture, or creed."

The structure of WHO reflects democratic principles of organization. Membership is open to all states on an equal basis. All, large and small, may participate with equal voting rights in the annual World Health Assemblies. Moreover, the decentralized regional structure of WHO has enabled the organization to be even more responsive to the wishes and needs of member states. WHO is unique among international agencies in the extent to which it makes use of regional offices and committees. Nations discuss with the regional office staffs their needs for various types of WHO assistance. The regional committees then enable nations and territories to meet on an area basis to discuss their health needs and to review a regional health

program and budget. Only after this regional review are these programs submitted to WHO headquarters for integration into an overall annual program and budget and for final approval or modification by the World Health Assembly. In this way, nations participate at several stages in the determination of WHO programs—individually, at the regional level, and on a world scale.

WHO is implementing the principles of democracy not only in its organization structure, to which I have just referred, but likewise in its activities and programs. WHO activities are helping to build effective communication between the peoples of the world. By "communication" I mean not merely the modern technological means of communication, such as the radio and airplane, but the man-to-man exchange of ideas and accommodation of differences which are the basis of understanding. Through this process the WHO activities are doing something to surmount the many barriers—cultural, political, and ideological—which still separate nations and peoples. Many WHO projects illustrate this.

Take as a typical example the WHO malaria-control team in Formosa. In addition to an American entomologist, there are on that team a malariologist from Greece and a sanitary engineer from the Philippines. Operating as a team, these technicians are performing outstanding work in helping the people and government of Nationalist China to control the menace of malaria. More than that, they are demonstrating together that democracy in action translates itself into better understanding, education, and improved health and living conditions.

Altogether, the WHO staff is composed of 700 health experts from 50 countries, including about 100 from the United States. They are sharing common tasks and common interests and are working toward common objectives. They are learning to understand each other's viewpoints and to live harmoniously in a world which technology has shrunk so that we are all neighbors.

WHO technicians, whether at headquarters or on field projects, are likewise becoming acquainted with the peoples they are helping and are identifying themselves with the needs of these peoples. But this is, of course, a two-way process. On the other hand, throughout the economically underdeveloped areas of the world, the villager, the farmer, and the artisan are discovering that co-

operative international action can achieve tangible benefits for them in their own lives.

"Mr. Who"

In this connection I cannot resist retelling an amusing but pertinent story about the World Health Organization, which is known in many parts of the world as "WHO." An Indian doctor working on malaria control in a remote village in Northern Thailand asked the local head man a few questions: Had he heard of Mr. Nehru? "No." Had he heard of President Eisenhower? "No." Had he heard of the U. N.? "No." Had he heard of WHO? "Oh, yes. Mr. Who is the man who sprayed my house, and we have had no more sick babies—very good man."

This incident, which has been multiplied many times over, illustrates how the work of WHO and other specialized agencies gets to the grass roots and effectively helps the common man. Moreover, the peoples of underdeveloped areas are discovering, sometimes for the first time, that they, themselves, can actively participate in measures to improve their conditions of life. A mother taking her child to a rural health center, where she will learn the elements of child hygiene; or a village population voluntarily pooling their labor to help build a sanitary well—these apparently insignificant events actually often represent a new awakening of individual and community initiative.

Such, then, are some of the intangible accomplishments of WHO. They are found in the nature of the organization; in the bringing together of technicians from many countries to work with the people of many countries; in the stimulation of local and national initiative. They add up to the promotion of democratic rather than totalitarian attitudes and processes. They are helping to make possible effective communication, a genuine meeting of minds. In this respect, just as surely as in terms of economic gains, WHO is helping gradually to reduce tensions which could explode into war. It is not a rapid process, but it is in the right direction—and it is of importance for the security of the free world and of the United States.

Today I have dealt mainly with WHO and its achievements, which illustrate how the specialized agencies of the United Nations system play an important part in removing the root causes of war. This work, of course, must be coordinated. It is evident that WHO is alive to the need for continued

improvements in coordination, as shown by the words of the Director-General, Dr. Candau, in his annual report on the work of WHO for 1953.⁴ He refers to "a growing awareness in all of us of the need to plan WHO's role in promoting world health as comprising only one part—although admittedly a vital and central one—of the general framework of all national and international efforts to improve social and economic conditions throughout the world."

Support for and strengthening of all activities of the United Nations system and strengthening

⁴ U. N. doc. E/2592 dated May 4, 1954.

of the free world are integral parts of United States foreign policy. Addressing the ninth session of the General Assembly only last month, Secretary of State John Foster Dulles underlined the wholehearted belief of the American people in the United Nations Charter.⁵ This charter, he said, "recognizes that peace is not a passive concept but a call to action." The United Nations system is meeting this call to action for peace, and not least through the World Health Organization, which is mobilizing resources to promote the conditions of peace.

⁵ BULLETIN of Oct. 4, 1954, p. 471.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

U.S. Views on Soviet Disarmament Proposal

Speaking before the General Assembly on September 30, the Soviet Representative, Andrei Vyshinsky, introduced a disarmament proposal which he requested the Assembly to add to its agenda. On October 6 the Assembly voted unanimously to include the item, and on October 11 Committee I (Political and Security) began debate on the Soviet proposal. Following are a statement released to the press by Henry Cabot Lodge, Jr., U.S. Representative to the General Assembly, following Mr. Vyshinsky's speech before the Assembly; two statements in Committee I by U.S. Representative James J. Wadsworth; and the text of the Soviet draft resolution.

STATEMENT BY MR. LODGE

U.S. delegation press release 1965 dated September 30

The bulk of the Vyshinsky speech was a violent attack, filled with wild inaccuracies, on the United States in an effort to smear us as plotters of a preventive war. It was as reckless as Secretary Dulles' speech was moderate.¹ The world knows President Eisenhower and how utterly he is op-

posed to a preventive war. The world will therefore repudiate and deplore this particularly unsavory bit of Soviet mudslinging.

The Vyshinsky proposal on disarmament will, of course, receive our careful and earnest consideration. We are glad to see that the proposal seems to denote something of a change in the attitude of the U.S.S.R. toward two of the important principles which the United States has been trying for years to get the Soviets to accept. These are, first, that nuclear weapons, on the one hand, and conventional armaments and armed forces, on the other, are all related parts of the total picture and must be dealt with in a balanced fashion; second, disarmament must be subject to effective inspection and control which will protect the security of all states.

At any rate, Mr. Vyshinsky's proposal appears to offer more hope than the Soviet attitude expressed by Mr. Malik in London just this past summer when he rejected out of hand the British-French memorandum,² which included the two important principles I have just mentioned.

¹ BULLETIN of Oct. 4, 1954, p. 471.

² *Ibid.*, Aug. 2, 1954, p. 182.

Of course, the decisive test is how far the Soviet Union has really moved from its previous rigid position on disarmament. We shall get the answer to this question when Mr. Vyshinsky's proposal is studied and discussed in detail. Meantime, I wish to emphasize that the United States will consider this proposal objectively and with the sincere hope that it will prove to be a real step toward a comprehensive, effective, and workable disarmament.

STATEMENTS BY MR. WADSWORTH

U.S. delegation press release 1973 dated October 12

The First Committee of the General Assembly is entering its ninth year of activity—and its ninth year of hard work on the stubborn problem of disarmament. All these years of discussion have not brought forth a single agreement to scrap one gun or tank or bomb or to discharge one soldier.

People all over the world, who know little of world politics, know this disheartening fact, yet it is in response to their will to peace that we continue to seek a solution. Our failure in the past is due mainly to the unhappy fact that we chose to tackle the problem of armaments in a period torn with conflict. The two sides locked in this conflict have not been disposed to trust each other. Least of all has it seemed wise to trust the side whose extreme secretiveness is a part of its way of life.

How can we establish the mutual trust on which disarmament should rest?

We submit that we cannot establish trust on either side by demanding and repeating "I promise—trust me." Trust is a most delicate quality, and it cannot be shouted into existence. In a matter as vital as armaments we can establish it only if both sides first agree on a fair plan of action and then carry out each step of that plan on schedule and in plain sight of each other.

It is a most difficult task, but it is possible. If it is carried out in good faith, one of its chief results will be the growth of the very quality of trust whose absence has paralyzed our efforts up to now.

The Basic United States Position

There are four basic ideas which have animated the United States from the very beginning of the disarmament discussions in the United Nations.

First, the United States wants disarmament.

The United States was one of the countries which proposed article 26 of the United Nations Charter, calling for "the establishment and maintenance of international peace and security with the least diversion for armaments of the world's human and economic resources." We want disarmament that will disarm. We want more than a mere toast where states clink their glasses and drink to the health of disarmament. We want disarmament that will work.

Second, we believe that there is more than one path by which the world can progress toward disarmament. Over the years we have marked out a number of paths on any or all of which we could make a start toward disarmament: controlling atomic energy; limiting the size of the armed forces of the Great Powers; a system of disclosure of all armed forces and all armaments with verification by an international organ. We have always recognized that it is impossible to solve this problem unless *all* the Great Powers agree on the solution. That is why we have suggested many avenues of discussion in the hope that, even if we could not reach full agreement with the Soviet Union, at least we could narrow the differences that separate us. That has been our approach in the past, and it is still our approach.

Third, we want the world to be rid of nuclear weapons. The world will not be rid of nuclear weapons by merely shouting from the roof tops that they are prohibited or that they will not be used while one nation behind its Iron Curtain continues to stockpile them. The United States is not going to use atomic weapons or any other weapons in violation of the United Nations Charter. The United States is not going to use atomic weapons or any other weapons except in defense against aggression. That is our pledge, and it is also the pledge of every member of the United Nations including the U. S. S. R. That pledge, however, gives security to no one so long as one of the chief countries making the pledge has its Iron Curtain behind which it can prepare to violate its pledge without fear of detection.

Fourth, we want world peace. We know that another war would be a catastrophe. We recognize that in the past arms races have preceded armed attack by aggressor nations. At the same time we cannot stop an arms race unless all the racers stop running, and we cannot know whether all the racers have stopped running if one of them

insists on running on a concealed track. For the free world to stop arming while the Soviet Union keeps on increasing its strength would be an invitation to the very war we seek to avoid and to the destruction of freedom.

These are the lessons of hard experience. We think of them as we continue our search for a disarmament that gives security to all. Thinking of these lessons, we hold that secure disarmament in a world without trust requires two things above all.

First, it must cover all armaments in a single plan—for bayonets and high explosives are still deadly in this atomic age.

Second, it must contain safeguards so that each side actually disarms in plain sight of the other, with the firm certainty that all pledges are being carried out every step of the way.

We believe that all states will agree generally with these principles. Why is it that we have been unable to translate these principles into a workable disarmament program? The record of the Disarmament Commission and its Subcommittee reveals a great deal on this subject. Let us now discuss it.

The Record in the Disarmament Commission in 1954

We agree with the Soviet suggestion that as far as possible we should forget the past, and we shall therefore devote far less time to the past than did the Soviet representative.

The disarmament resolution passed by the Eighth General Assembly was notable for its sixth paragraph, which suggested that the Disarmament Commission study the desirability of establishing a Subcommittee consisting of the representatives of the powers principally involved to seek in private an acceptable solution and report to the Disarmament Commission.³

Last April the Disarmament Commission, in conformity with this resolution, set up such a Subcommittee consisting of the Soviet Union, United Kingdom, France, Canada, and the United States. This Subcommittee met in London, in private and as we hoped, free from the temptations of propaganda. Then the Subcommittee made a report to the Disarmament Commission.⁴ As a part of its report, the Subcommittee made

public the entire records of the London meetings. The world is now in a position to judge the progress or lack of progress at these private meetings and to determine the responsibility for their success or failure.

The plain motive of the Eighth General Assembly in suggesting once again private meetings of a few powers was to produce new approaches to disarmament—approaches which would have at least some hope of narrowing the differences that have separated the Soviet Union from the free world. Let us examine the record of the Subcommittee of Five to see to what extent these hopes were fulfilled.

At the very first meeting the Soviet Union submitted a disarmament proposal, but it was not a new proposal. It was, word for word, the proposal which the Soviet Union had submitted to the Eighth General Assembly and which the Assembly had found unacceptable. This was certainly a discouraging start, and the same pattern prevailed throughout the discussions. The representative of New Zealand, in the Disarmament Commission discussions in July, aptly characterized the Soviet attitude as one of “stony immobility.”

In contrast, the other members of the Subcommittee tried to explore two avenues of approach to disarmament which had never before received any thorough treatment in the United Nations. The United States submitted a working paper on the establishment of an international control organ with appropriate rights, powers, and functions. In presenting this paper we stressed that we were not putting forward a rigid position with the thought that all other states “should either take it or leave it.” The United States representative said: “Let us think of this paper merely as one approach in an attempt to come to grips with basic issues of substance. From the discussions of specific problems we hope to narrow the difference between us and perhaps arrive at a position which all of us can approve.” Furthermore we pointed out that the control organ, as we drew it up, would be as applicable to a program based upon Soviet concepts sketched over the past several years as it was to the U.S. program.

Despite our efforts, the Soviet representative refused all serious discussions of our paper. As a matter of fact, he never got any further than the first paragraph, which referred to the General

³ *Ibid.*, Dec. 14, 1953, p. 838.

⁴ *Ibid.*, Aug. 2, 1954, p. 177.

Assembly resolution of January 11, 1952, which the U.S.S.R. had opposed.

The second new avenue of approach was contained in the British-French memorandum of June 11 which has been so much in the news in recent weeks. This dealt with the phasing and timing of the chief elements of a disarmament program. The representatives of the United Kingdom and France have fully explained these proposals, and I shall not repeat their explanations. The United States supported and still supports the proposals.

In London the Soviet Union refused to discuss the British-French proposals and, as in the case of the U.S. suggestion, never got beyond the first paragraph. This was one of the comments by the Soviet representative: "It is perfectly obvious that the proposal of the United Kingdom and France and supported by the United States does not provide at all for the prohibition of atomic weapons but is designed to justify their use. The adoption of such a proposal would in no way contribute to a slackening of international tensions or to the removal of the dangers of an atomic war. What is more it could lull the vigilance of the peoples toward this danger."

Now, after all, the Soviet representative at this General Assembly has introduced a resolution suggesting that these proposals of France and the United Kingdom be used as a basis for an international disarmament treaty.

We are indeed gratified that the Soviet Union has apparently changed its views and now recognizes the genuine value of the British-French proposals as a fresh approach to this great problem. But the change in position—and we hope it is a change—did not manifest itself until September 30.

The Soviet Proposal

The first ray of hope that we have received in many years from the Soviet Union was the proposal made by the Soviet representative to this Assembly on that date. That ray was considerably dimmed, though not extinguished, by Mr. Vyshinsky's statement yesterday. We have studied the proposal carefully and, we believe, objectively. What I am going to say now reflects our initial impressions of a proposal which at several key points has been and remains obscure in its meaning. Our impression may readily be altered as a

result of the discussions in this committee and later in the Disarmament Commission.

First, we recognize that on one and only one important matter the Soviet has taken a clear and unambiguous stand which somewhat narrows the differences which have separated the Soviet Union from the free world. The Soviet Union now concedes that 50 percent of the agreed reduction in armed forces and conventional armaments may take place before any action to prohibit nuclear weapons. This is paragraph I (2) (a) of the Soviet proposal.

Second, in paragraph I (2) (c) the Soviet Union calls for "inspection on a continuing basis to the extent necessary to ensure implementation of the convention by all states." This is one of the obscure points on which further discussion is required. It could be a great improvement over the 1952 Soviet formula for an international control organ that "shall have the right to conduct inspection on a continuing basis, but it shall not be entitled to interfere in the domestic affairs of states."

Any control organ with powers "to the extent necessary to ensure implementation of the convention" must clearly have the full run of a country. Mr. Vyshinsky pointed out that during the war button factories in the Soviet Union manufactured munitions. The International Control Commission must therefore have the right to inspect button factories in order to determine whether or not they are manufacturing munitions. This is precisely what the Soviet delegate denied to us during the London talks. We had hoped that this resolution indicated a change in position. However, if we interpret correctly Mr. Vyshinsky's statement of yesterday, any country can frustrate the inspectors simply by posting on a munitions factory a sign reading "Keep out—this factory makes buttons."

Third, a commission with adequate powers would of necessity also have the authority to take effective action whenever it found a violation. We do not infer by this that the commission would have its own army which could be used to punish a violator. It would, however, have certain powers, some of which we enumerated in our paper on the international control organ which we submitted to the Subcommittee of the Disarmament Commission in London. These powers included the right to suspend allocations of fissionable materials to an offending country and to close down

factories utilizing fissionable materials in that country.

The Soviet representative in London stated categorically that the control commission could do nothing beyond referring the violations to the Security Council, where each of the permanent members is in a position to veto all action. We hoped that the new Soviet proposals, with their language about full powers to ensure implementation of the treaty, might represent a change in Soviet position. Mr. Vyshinsky yesterday very thoroughly dispelled that hope. He made it clear that the control organ, where there is no veto, could do nothing to punish violations. No violations can be punished except with the consent of the Soviet Union, armed with its veto power.

Fourth, there was one issue in London which perhaps received more extended discussion than any other—the issue of the relationship in time between the prohibition of nuclear weapons and the institution of international control. The Soviet Union in London took their traditional line that the prohibition of atomic weapons and the institution of controls should be simultaneous. “Simultaneous” is a pretty word, but, as we have pointed out on many occasions, in this context it is literally meaningless.

The prohibition of atomic weapons is a single act. On the other hand the institution of controls is a long series of acts. The real question is this: At what point during the development of the control organ would prohibition of atomic weapons take place?

The United States, United Kingdom, France, and Canada all took the position at London which was set forth in the British-French memorandum: that the prohibition of nuclear weapons would take place as soon as but no sooner than when the control organ was in a position to assure that the prohibition would actually prohibit. The Soviet Union, on the other hand, took the position that in fact the prohibition should take place as soon as there was agreement that there should be a control organ. This is like saying: “Since we now agree to build a house, let’s move in right away.” An agreement will not keep the rain out.

Mr. Vyshinsky, in his statement yesterday, gave a new meaning to the word “simultaneous.” He said that the prohibition of nuclear weapons and the institution of international controls must be completed within the same period. In other

words, we must simultaneously complete building the house and moving into it. This, of course, is an improvement on moving into the house before it is built. But it raises some questions. What if we agree to move in and the house never gets built? What if the time limit for building expires, and the house is unfinished—do we have to move in anyway? In short, just how much of an improvement the new position is depends upon the detailed schedules of building and of moving in. Mr. Vyshinsky has substituted for his old formula which was impossible a new formula which is merely vague and requires further study.

Fifth, another example of this need for study is paragraph I (1) (a), which speaks of agreed levels and reduction of armaments from the level of December 31, 1953. We studied this provision carefully in the English and French translations. Frankly, it has no meaning whatever. I am not sure that I understood Mr. Vyshinsky’s explanation of this paragraph. As Mr. Vyshinsky pointed out when we listened to the translations, conditions are far from the optimum. However, if I understood correctly, it is now fairly apparent that the Soviet Union proposes that the reductions start from December 31, 1953, levels and take place in two stages, 50 percent of the reductions to be in each stage. We are still unclear as to where the process ends. How do we determine the levels to which the armed forces and armaments are to be reduced? We still do not know whether the Soviet Union continues to insist upon flat percentage reductions from December 31, 1953, levels. Mr. Vyshinsky said that he was not pressing for percentage reductions at this time. He did not indicate that he had abandoned his previous requests or that he was accepting any alternative formula.

We are still hopeful that these Soviet proposals represent an important step in the direction of an agreed disarmament program. They must, however, be clarified and elaborated. Large segments of the disarmament program are not touched at all in these proposals. This was clearly pointed out by the representatives of the United Kingdom and France. There is a tremendous amount of hard labor ahead of us before we can turn any of the proposals now before the General Assembly or the Disarmament Commission into a practical disarmament program.

This is a technical subject. We do not believe

that the General Assembly is the forum for going into the technical details. We believe that the very fact that the Soviet Union has seen fit to present these new proposals underlines the wisdom of the Eighth General Assembly in suggesting private discussions by the powers principally involved. We would support the reactivation of the Subcommittee to deal with these Soviet proposals and the other disarmament proposals which are before the Disarmament Commission. In short, we believe that the Soviet proposals should be studied in the hope that many of them in some form will be embodied in a disarmament treaty. We definitely do not reject them.

The Outlook

During the Subcommittee meetings in London and again during the disarmament discussions in New York, we pointed out that the Soviet approach to disarmament had three main features which not only prevented agreement but also destroyed the possibility of genuine negotiation. Let us review those features and consider to what extent they are applicable to the new Soviet proposals. In the *first* place, the Soviet Union in the past has confined itself to proposals too vague to have any meaning. Ambassador [Morehead] Patterson in the Disarmament Subcommittee aptly likened the Soviet proposals to a book with a table of contents followed by nothing but blank pages. We are sorry to say that the current Soviet proposal fits this description. It will require much elaboration before it will be really meaningful.

Second, the Soviet proposals in the past have been long on pledges and short on safeguards to insure that the Soviet Union would observe its pledges. It has refused any type of international control which would result in a genuine lifting of the Iron Curtain. The present proposals use language sufficiently broad so that it would be possible for the Soviet Union, under this proposal, to agree to genuine and effective safeguards. Whether it in fact is prepared to take such a step will probably be determined only after we get down to detailed discussions.

Third, even if we assume full Soviet observance of pledges, the past program would have had as its result the disarmament of the free world without disarming the Soviet Union. Thus under their previous plans the most important elements of

strength of the free world—its nuclear weapons and its bases—would be eliminated. On the other hand, the most important features of Soviet strength—its vast armies and its conventional weapons—would be merely reduced by one-third. From this standpoint, the present proposal is a distinct improvement on previous proposals. It is entirely possible that when it is elaborated it would be consistent with the security of other states. Again, we cannot tell this until we can find out what it means.

If the Soviet Union has really abandoned its policy of disarming the free world without disarming the Soviet bloc, this is indeed a change in policy. The previous policy, as we pointed out in the Disarmament Commission, was far older than the Disarmament Commission or than the United Nations. In fact it was a Communist policy even before there was a Soviet Union. We can find it in the writings of Lenin as early as 1916 when he said:

Only after the proletariat has disarmed the bourgeoisie will it be able, without destroying its world historical mission, to throw all armament on the scrap heap; the proletariat will undoubtedly do this, but only when this condition has been fulfilled, certainly not before.

Until the Soviet Union shows some regard for the security of other states, until the Soviet Union looks on disarmament as a method of avoiding war and of improving living conditions of mankind rather than as a steppingstone to strategic advantages for itself, there can be no progress toward disarmament. The United States is willing and indeed eager in the light of the developments of the past week to engage in further talks and negotiations which may give promise of progress toward the goal of world peace. We hope that the world will view realistically any further negotiations and discussions and will not seek prematurely to paint a bright picture of progress which might turn out to be a mirage.

Conclusions

In conclusion let me reaffirm our wish to explore all avenues where there is a genuine prospect of progress toward disarmament that will really disarm. The President of the United States, in his inaugural address, stated certain fixed principles which would guide him in pleading our just cause before the bar of history and in pressing our labor for world peace. The very first of these principles contains the following language:

We stand ready to engage with any and all others in joint effort to remove the causes of mutual fear and distrust among nations and so to make possible drastic reduction of armaments. The sole requisites for undertaking such effort are that, in their purpose, they be aimed logically and honestly toward secure peace for all; and that, in their result, they provide methods by which every participating nation will prove good faith in carrying out its pledge.

The present Soviet proposals do appear to open an avenue for further discussion. It must be emphasized, however, that these proposals, like past Soviet proposals, are merely a beginning. There are many important parts of a disarmament program which these proposals do not touch at all, and even where the Soviet proposals suggest a solution in most instances that solution is too vague and ambiguous for the world to judge its merits. We hope there has been a real change in the Soviet outlook, a change that will make possible measurable progress toward the goal for which everyone must strive—a genuine and lasting peace.

U.S. delegation press release 1976 dated October 12

Just a very brief statement on the rather remarkable statement we have just heard from the distinguished delegate from the Soviet Union.

He started out by talking about inaccuracies in my own statement and wound up by talking about great many things on which I never had anything to say. However, I think that all through my prepared remarks the delegate of the Soviet Union will find that, due to the shortness of the time since he completed his speech of yesterday, I said perhaps I misjudged him, perhaps I misunderstood him, if I understood him correctly. In those places where he has actually corrected me, I think that I should thank him for this correction. The interpretations, however, which one places upon the English language as it comes through the earphones is one thing as opposed to the corrected verbatim report which we will, of course, get later on. However, there are one or two points which Mr. Vyshinsky made which I feel might be worthy of very brief comment because I feel that we should not keep the committee sitting too long over this sort of an altercation.

In the first place, in attempting to deny some of the things I have said, Mr. Vyshinsky did confirm two of the things I said. First, that any action to deal with violations of a disarmament plan must be subject to the Security Council and its veto; second, he confirmed my contention that

he had not completely abandoned his previous demands for a flat percentage reduction. Perhaps Mr. Vyshinsky's translation when I was talking on that particular line might have been subject to misinterpretation, but my recollection is that I said that he did not press for his reduction plan at this time—and I think that that was an accurate statement.

I would also agree very thoroughly with my distinguished colleague from the Soviet Union that there is a vast amount of difference between opposition and discussion on the one hand and rejection on the other. I stand, however, by my statement made in my prepared remarks and would ask the members of this committee to read the record of the London meetings in which Mr. Malik of the Soviet Union did in fact categorically reject the points that were made by the United States in its working paper on a control organ and by the Franco-British proposal.

Finally, I believe with Mr. Vyshinsky that it might be of considerable value to all the members of this committee to read the entire text of Mr. Lenin's article on disarmament from which I quoted. At least I have avoided the accusation that the quote was incorrect; according to Mr. Vyshinsky it was taken out of context. But at the same time I feel that it is a revealing quote, and it is something which has been held fast to on the part of the Soviet Union in disarmament talks throughout most of our past several years.

Altogether I believe that colloquies of this type are extremely valuable to the members of the committee. It is, of course, possible to attempt to confuse and befog the issue by talking about matters having nothing to do with the points at issue. However, at the same time, that also reveals the weakness of the argument of the person doing it.

SOVIET DRAFT RESOLUTION

Following is the text of the disarmament proposal which the Soviet representative, Andrei Vyshinsky, introduced in a speech to the General Assembly on September 30 and which he requested the Assembly to add to its agenda. On October 6 the Assembly voted unanimously to include the item.

U.N. doc. A/2742 dated September 30

I. The General Assembly instructs the United Nations Disarmament Commission to prepare and submit for con-

firmation by the Security Council a draft international convention (treaty) designed to strengthen peace and increase international security and providing for the prohibition of atomic, hydrogen and other weapons of mass destruction and their elimination from the armaments of States, a substantial reduction in armaments and the establishment of international control over the implementation of these decisions on the basis of the French and United Kingdom proposals of 11 June 1954.

Accordingly, the convention (treaty) should contain the following basic provisions:

(1) The following measures shall be taken simultaneously:

(a) In the course of six months (or one year), States shall reduce their armaments, armed forces and budgetary appropriations for military requirements to the extent of 50 per cent of the agreed levels. Armaments and armed forces shall be reduced from the strength of armaments and armed forces existing on 31 December 1953, and appropriations shall be reduced from the amount of actual expenditure on military requirements during the year ending 31 December 1953.

(b) For the purposes of supervising the fulfilment by States of the obligations in connexion with the reduction of armaments and armed forces provided for in subparagraph (a), a temporary international control commission shall be established under the Security Council with the right to require States to provide the necessary information on the measures taken by them to reduce armaments and armed forces. The commission shall take the necessary steps to supervise the fulfilment by States of the obligations assumed by them in connexion with the reduction of armaments, armed forces and appropriations for military requirements. States shall periodically supply the commission at established intervals with information concerning the implementation of the measures provided for in the convention.

(2) On completion of the measures referred to in paragraph (1), the following measures shall be taken simultaneously:

(a) In the course of six months (or one year), States shall reduce their armaments, armed forces and budgetary appropriations for military requirements by the remaining 50 per cent of the agreed levels from the strength of armaments and armed forces existing on 31 December 1953, and shall reduce their appropriations from the amount of actual expenditure on military requirements during the year 31 December 1953.

(b) A complete prohibition of atomic, hydrogen and other weapons of mass destruction shall be carried into effect, the production of such weapons shall be discontinued and they shall be entirely eliminated from the armaments of States; all existing atomic materials shall be used only for peaceful purposes.

The carrying out of these measures must be completed not later than the carrying out of the measures taken for the reduction of armaments and armed forces referred to in paragraph (2) (a), and the production of atomic and hydrogen weapons shall cease immediately, as soon as a start is made with the reduction of armaments, armed

forces and appropriations for military requirements in respect of the remaining 50 per cent of the agreed standards.

(c) States shall institute a standing international organ for the supervision of the implementation of the convention (treaty) on the prohibition of atomic, hydrogen and other weapons of mass destruction, the discontinuance of the production of these weapons and their elimination from the armaments of States and the reduction of armaments, armed forces and appropriations for military requirements.

This international organ shall have full powers of supervision, including the power of inspection on a continuing basis to the extent necessary to ensure implementation of the convention by all States.

II. In connexion with the proposal concerning the prohibition of the "use of nuclear weapons except in defence against aggression" in the Franco-British memorandum of 11 June 1954, the General Assembly instructs the United Nations Disarmament Commission to study and clarify this question and submit its recommendations.

International Financing of Economic Development

*Statement by Roger W. Straus
U.S. Representative to the General Assembly¹*

Allow me to take this opportunity to acknowledge my great appreciation to be associated in the work of this Committee with the distinguished men and women constituting its membership. I come here not as a trained economist, not as a government official. I come as a businessman, who, for the last 40 years, has been associated with a business organization that has operated in many parts of the world. It has contributed markedly to the economic development of some. Through this experience I have had firsthand opportunity to observe some of the opportunities, needs, and problems which will be the subject of our discussions in this Committee.

In his address before the 10th Inter-American Conference at Caracas early this year,² our Secretary of State pointed out that, in today's interrelated world, "No government adequately serves its own people unless it also is concerned with well-being in other countries." Obviously, no country can divorce itself from the problem presented by

¹ Made in Committee II (Economic and Financial) on Oct. 8 (U.S. delegation press release 1972).

² BULLETIN of Mar. 15, 1954, p. 379.

the existence of extremely low standards of living in large areas of the world. The postwar years have witnessed a growing realization that the attack on poverty, disease, and ignorance calls for cooperative effort on the part of all of us. This realization is a new and vital force in international relations.

All of us must join in every practical way to bring our knowledge, our science, and our tools to bear upon this problem. Nevertheless, since economic and social progress depends primarily on the efforts of the people concerned, each country must decide for itself what it is prepared to do about its own economic development. Each country must decide for itself what institutions it will encourage to bring about the production of the things its people want. Each country must itself determine what steps it is prepared to take to attract outside capital to help with the job.

In my own country, our traditional policy has been to develop our economy through private enterprise. This emphasis on individual freedom and on the constructive force of individual initiative is a basic part of our philosophy. It is this system which has generated the economic vitality which has been a mainspring of our economic development.

While we are convinced that the fullest possible exercise of private initiative is the basis of sound economic development, we are, at the same time, aware that it cannot be offered as a panacea for all economic ills.

In many underdeveloped countries, the first need is for basic development in such fields as transport, power, communications, education, and public health.

To provide the economy with this so-called "overhead capital" often involves large-scale investment in projects which, at least in their working stages, are not self-liquidating. The fields of education and public health have been traditionally regarded as largely the responsibility of government. In other fields, such as transport, power, and communications, investment can often be provided by the joint effort of government and private enterprise when, for one reason or another, private capital is not available in sufficient quantities. In other instances, the Government will find it advisable to assume the entire responsibility. Clearly, so long as the problem of building essential basic facilities in underdeveloped areas re-

mains so important, we must continue to be concerned with the problems of public financing.

Mr. Chairman, we shall later in our discussions be considering various specific ways and means of assisting the economic development of underdeveloped countries. At this time, I should like only to touch upon some general aspects of the problem without going into those matters with which we shall be dealing in detail later on.

It has often been argued that the financial needs of economic development have outrun the capital available to underdeveloped countries; that the lack of funds is, if not the most important, one of the important limits on the rate of economic development. I do not intend at this time to analyze the accuracy of this generalization. Later in our deliberations, I hope to have an opportunity to discuss the prospects for the international flow of capital if appropriate opportunities are available. But I would, in this connection, like to quote from a statement made by the Governor from Cuba at the meeting of the Board of Governors of the International Bank in Washington last month. The Governor from Cuba said:

I can say without hesitation that there is more money ready to be lent by the Bank than there are projects ready to receive loans from the Bank. Our main difficulty has been not the question of raising sufficient money for financing development projects but the problem of having countries submit for our consideration good, worthwhile, bankable projects. The Bank is fully aware of this bottleneck, and tries to help in every possible way the less developed countries to get proper technical and financial assistance for the preparation and presentation of good projects. But I can say that no project has failed to obtain from the Bank the necessary financial assistance for lack of funds.

Expanding Activities of International Bank

The Annual Report of the International Bank issued just a few weeks ago tells an encouraging story of expanding bank activity which is reflected in the economic and social growth of its member countries. During the fiscal year ending June 30, 1954, the bank made 26 loans, equivalent to about \$325 million. These were more loans, and a greater amount of lending, than in any previous year of the bank's existence. Moreover, thus far in the present fiscal year, the rate of lending has kept pace with this new record, and the total of loans made by the bank has now passed the \$2 billion mark, with almost three-quarters of the last billion going to underdeveloped areas.

These loans have been made to 34 member countries.

There is another development which, I think, has significant implications for the future financing of economic development. In the years following the war, the demands of reconstruction and investment at home prevented Western Europe from playing its traditional role as an exporter of capital, except in very limited fashion. This situation, together with Western Europe's own need for assistance, was one of the important factors hampering the growth of the world economy in the postwar years.

There are signs that this condition is rapidly changing. For example, between June 1953 and June 1954, Western European currencies to the equivalent of some \$110 million became available in one form or another for lending by the International Bank.

In fact, what might be called the greater internationalization of the financial resources available to assist in economic development is becoming quite evident. During the past fiscal year, lendable funds available to the International Bank increased by \$310 million. Of this amount, almost \$190 million, or 61 percent, came from sources outside the United States. The last bond issue of the International Bank of \$50 million was oversubscribed by \$28 million and had to be allocated among bidders from 23 countries. For the first time in the history of the financial world, a dollar issue has been sold entirely outside the United States. This is indeed a hopeful augury for international financing of economic development.

The contribution of the International Bank to the financing of the economic development of underdeveloped countries, substantial though it may be, is but a part of the story of the cooperative effort of the free world in this direction. We shall undoubtedly be hearing from the representatives of other countries about the contributions they have found it possible to make to assist the underdeveloped areas. The efforts and contributions of my own country have often been indicated in this and other forums of the United Nations.

For this fiscal year, the Congress has authorized \$300 million for economic assistance to underdeveloped countries. This amount will raise the total of assistance extended to the underdeveloped areas by the American people since World War II to about \$6½ billion.

During the deliberations of this Committee last year there was some speculation as to the future role of the Export-Import Bank in the field of economic development. In this connection, I should like to recall one of the statements contained in the message of President Eisenhower to the Congress on March 30, 1954.³ In this message the President, referring to the Export-Import Bank, stated that the bank will consider on their merits applications for development projects which are not being made by the International Bank and which meet the usual requirements of export-import lending. I think the statement indicates that the Export-Import Bank will be in a position to continue to play an active role in the development field. In this connection, some of you may be aware that the Congress recently authorized an increase of half a billion dollars in the lending authority of the bank. This action raised the bank's total lending authority to \$5 billion. This same legislation also provided for a reorganization of the bank designed to make it a more effective operating instrument.

Agricultural Trade Act

I should like to mention one other way in which the United States can now help provide additional assistance for economic development.

Underdeveloped countries wishing to carry out ambitious development projects are often faced with the problem of providing at the same time an increased supply of consumer goods to their populations. Unless they can do so, inflation may well result, with all its pernicious effects on the very process of economic development itself. To illustrate, some countries in South and Southeast Asia, where the problem of surplus labor is acute, have been deterred from expanding their investment programs and putting this labor to work because they were not able to provide additional amounts of consumer goods.

In general, the International Bank and our own Export-Import Bank have been prepared only to finance the cost of imported capital goods and industrial supplies. They have not, as a rule, been prepared to provide long-term loans for imports of consumer goods.

As many of you are aware, our Congress has recently enacted the Agricultural Trade and De-

³ *Ibid.*, Apr. 19, 1954, p. 602.

development Act. The purpose of this act is to enable the Government to use our agricultural commodities to expand world trade. We believe that one of the truly constructive purposes for which our surplus commodities can now be used is to help to promote economic development. We are prepared to make these commodities available to underdeveloped countries to help meet increased consumption demands arising from their development programs. I should like to take a moment to indicate how this can be done.

Under the provisions of the law, the United States Government is now authorized to sell its stocks of agricultural commodities for the local currency of the recipient country. Furthermore, the U.S. Government is authorized to lend back to the buying country a substantial part of all such local currency received. In other words, underdeveloped countries can now secure assistance in importing increased supplies of such consumer goods as wheat, corn, cotton, fats, and oils, which they may need to procure to meet the increased demands for consumer goods arising from accelerated development operation.

Such transactions envisaged in the Agricultural Trade and Development Act can be mutually beneficial. Since development programs may be expected to lead to increased consumption, holdings of agricultural commodities now overhanging the market can be moved without disrupting normal markets or depressing world prices. Countries which, in other respects, are in a position to undertake new development projects and to put unemployed labor into productive employment can do so without suffering the ill effects of inflation. Labor-using projects that may have been postponed because they could not easily be financed can be given the priority they deserve.

This new authority which the Congress has given us will run for a 3-year period. It is our hope that underdeveloped countries will take advantage of this legislation to accelerate their economic development.

Mr. Chairman, I think most of us would agree that the world has made important strides since the war in dealing with the problem of economic development. At the same time we are all, I am sure, acutely aware of the immense task still to be done. We cannot be content merely to look backward. It seems to me as a business executive, just as a manufacturer of automobiles is constantly

trying to improve his already tried and tested models, so must we endeavor to make more effective our existing institutions and our existing methods of dealing with this problem. On the other hand, just as the automobile manufacturer is also constantly searching for basically new designs, so must we be alert to new ways and means which have practical applications for the future.

The peoples of the underdeveloped countries are eager for additional tools for economic growth. The compelling economic reasons for assisting these peoples to convert their aspirations into reality have often been analyzed, and I need not go into them at this time. But economic development has a larger significance. It is something which is good in itself because it affects people, their dignity, and their freedom. Economic development can mean the difference between explosive tensions and stability, between apathy and hope, between serfdom and constructive citizenship. It can contribute to the development of a stable, democratic society of free men.

These are powerful reasons for continued efforts by all of us to hasten the economic development of the underdeveloped countries.

U.S. Delegations to International Meetings

Pan American Sanitary Conference and WHO Regional Committee Meeting

The Department of State announced on October 6 (press release 559) that the U.S. Government would be represented at the Fourteenth Pan American Sanitary Conference and the Sixth Meeting of the Regional Committee of the World Health Organization at Santiago, Chile, October 8-22, 1954, by the following delegation:

Delegates

W. Palmer Dearing, M.D., *Chairman*, Deputy Surgeon General, Public Health Service, Department of Health, Education and Welfare
Frederick J. Brady, M.D., International Health Representative, Public Health Service, Department of Health, Education and Welfare
Howard B. Calderwood, Bureau of International Organization Affairs, Department of State

Advisers

Roy Anduze, M.D., Commissioner of Health, Virgin Islands Department of Health, Charlotte Amalie, Virgin Islands

William Belton, Bureau of Inter-American Affairs, Department of State

E. Ross Jenney, M.D., Chief of Health, Welfare and Housing Field Party, Foreign Operations Administration, Santiago, Chile

Juan A. Pons, M.D., Secretary of Health, Puerto Rico Department of Health, San Juan, Puerto Rico

Walter W. Sohl, Jr., *Secretary of Delegation*, Bureau of International Organization Affairs, Department of State

The Pan American Sanitary Conference is the supreme governing body of the Pan American Sanitary Organization (PASO), the international coordinating authority for public health in the Americas, and serves as the Regional Committee for the Americas of the World Health Organization. The Conference, which meets once in 4 years, delegates its powers to the Directing Council, which meets yearly during the 3 years between Conferences. The Thirteenth Pan American Sanitary Conference was held at Ciudad Trujillo, Dominican Republic, October 2-10, 1950.

The Fourteenth Conference will plan the course of the Pan American Sanitary Organization for the next 4 years. Among the agenda items are the following: (1) The Director's reports—i. e. annual report, reviewing the Bureau's activities in 1953; and a 4-year report, from the beginning of 1950, for consideration of the Conference; (2) 1955 program and budget; (3) malaria eradication; (4) health reports of governments; (5) election of the Director of the Pan American Sanitary Bureau for a 4-year term beginning February 1, 1955, and submission of his name to the World Health Organization in Geneva for confirmation as WHO Regional Director; and (6) Executive Committee nominations to fill vacancies on the 7-member Executive Committee, caused by the termination of the periods of office of Ecuador and Mexico. There will also be a series of technical discussions in the form of seminars held concurrently with the Conference Session. The subjects chosen this year are (1) methods of improving the reliability of raw statistical data required for health programs; (2) control of infant diarrheas in the light of recent scientific progress; and (3) application of health-education methods in rural areas in Latin America.

TREATY INFORMATION

Current Actions

MULTILATERAL

International Rice Commission

Amended Constitution of the International Rice Commission and Rules of Procedure. Approved by the Seventh Session of the Fao Conference at Rome, December 10, 1953. Entered into force December 10, 1953.

Members of the Commission:

United States	Italy
Australia	Japan
Burma	Korea
Cambodia	Laos
Ceylon	Mexico
Cuba	Netherlands
Dominican Republic	Pakistan
Ecuador	Paraguay
Egypt	Philippines
France	Thailand
India	United Kingdom
Indonesia	Viet-Nam

BILATERAL

Costa Rica

Agreement for a cooperative project in agricultural research in Costa Rica, pursuant to the general agreement for technical cooperation of January 11, 1951 (TIAS 2186). Effected by exchange of notes at San José June 28 and 30, 1954. Entered into force June 30, 1954.

Guatemala

Agreement providing for transfer of military equipment and materiel to the Government of Guatemala, subject to certain understandings. Signed at Guatemala July 27 and 30, 1954. Entered into force July 30, 1954.

Honduras

Agreement relating to duty-free entry and defrayment of inland transportation charges on relief supplies and packages. Effected by exchange of notes at Tegucigalpa August 26 and September 17, 1954. Entered into force September 17, 1954.

Liberia

Agreement relating to duty-free entry and defrayment of inland transportation charges on relief supplies and packages. Effected by exchange of notes at Monrovia May 6, August 23, and September 15, 1954. Entered into force September 15, 1954.

Thailand

Agreement relating to investment guaranties. Effected by exchange of notes at Washington August 27 and September 1, 1954. Entered into force September 1, 1954.

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*567	10/11	Educational exchange.
†568	10/11	Foreign Service memorial.
569	10/11	Robertson visits Formosa.
*570	10/12	Program for Mohammed Ali visit.
*571	10/12	Educational exchange.
*572	10/12	Educational exchange.
†573	10/12	German dollar-bond debts.
*574	10/13	Program for Tubman visit.
†575	10/13	Waugh: Colombo plan.
†576	10/14	Aldrich: N.Y. Board of Trade.
†577	10/14	Baldwin: Asian economic development.
578	10/14	Hoover: Greeting to Mohammed Ali.
†579	10/15	Phillips designation (rewrite).
*580	10/16	Department honors ceremony.

*Not printed.
†Held for a later issue of the BULLETIN.



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The Record on Disarmament

Publication 5581

15 cents

A Subcommittee of Five of the U.N. Disarmament Commission met at London in May-June 1954 to carry out the General Assembly's resolution of November 28, 1953, to "seek in private an acceptable solution." Following these talks, the Subcommittee's report was transmitted to the Disarmament Commission, which dealt with the Subcommittee's results at New York on July 20-29, 1954.

The Record on Disarmament is a report on these meetings. As stated in the Letter of Transmittal, the discussions gave a clear indication of the present direction of Soviet thinking on disarmament. The Soviet Union showed no serious desire to negotiate the subject. It confined its efforts to glib distortions to support the propaganda slogan "ban the bomb."

This 20-page document gives a running account of the developments in the secret talks at London, the records of which have now been made public, and the meetings at New York. The booklet provides a summary of the chief Western proposals and tactics. It concludes with a section on the implications of the discussions.

Copies of *The Record on Disarmament* may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C.

Please send me copies of *The Record on Disarmament*.

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NIB
p. 1

list

The Department of State

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Vol. XXXI, No. 801

November 1, 1954



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The Department of State bulletin

VOL. XXXI, No. 801 • PUBLICATION 5639

November 1, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:

62 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

Fifth Annual Honor Awards Ceremony

On October 19 the Department of State held its fifth annual honor awards ceremony at Constitution Hall, Washington, D. C. Following are texts of remarks made by the President and Secretary Dulles at the ceremony.¹

SECRETARY DULLES

Press release 591 dated October 19

Mr. President, your presence here does us all honor. It symbolizes the vital importance of foreign affairs to every aspect of American life. It is a reminder of the historic relationship between the Chief Executive, who is constitutionally responsible for the current conduct of foreign affairs, and the Department of State and the members of the Foreign Service who serve him.

The Department of State and the Foreign Service can boast a record of service that is older than the Republic itself. It was to the Department of State that the first Congress entrusted the safekeeping of the Great Seal of the United States. Our Chiefs of Mission abroad are the personal representatives of the President.

So we have a special and time-honored relationship to the Chief of State.

When I first became Secretary of State I spoke of the high regard in which I held the careers you of the State Department and Foreign Service have chosen. I said:²

... today we are the "shock troops" in the cold war which is being waged against us. Upon us depends, more than upon any other group of men and women in this country, the decision as to whether or not we will meet

this threat, and whether we will meet it peacefully. I cannot imagine a greater opportunity or a greater challenge that confronts anyone than confronts us and our affiliates in the Foreign Service in the Embassies all around the world. We have a tremendous task, a tremendous responsibility, and a tremendous opportunity.

These words expressed what I believed then and they express what I believe now.

We live in adventurous and dangerous times. Such times bring forth great acts. Today we single out a few of the men and women who have responded to the challenge of our times in a manner and in circumstances which are outstanding. That is why they, in particular, are being cited today.

There are, of course, many kinds of service that command such honor. First of all there is courage. One officer of the Foreign Service will not be able to receive his award today because he gave his life to save the lives of others. Other brave acts will receive recognition, acts of rescue and of fortitude in far places.

There is also another form of devotion to duty which is no less deserving of recognition. I refer to the kind of initiative and ability which, in a real and direct way, contributes to the success of our foreign policy. This may take many forms, from the negotiation of a treaty or settlement that requires months of skill and patience, to the completion of a delicate mission calling for tact and boldness in equal measure. It may be the type of consistently high day-by-day performance that inspires others.

Many of the awards today go to members of the Civil Service, which is contributing its full and equal share of outstanding work.

And let us remember those who are absent today. Most of these are members of the Foreign Service who are now on duty overseas. Their awards will be conferred on them at their posts.

¹ For a list of individuals and units honored for outstanding performance of their duties, see press release 585 dated Oct. 18 (not printed).

² BULLETIN of Feb. 9, 1953, p. 240.

This ceremony is an expression of the morale and spirit of our whole Department and of its generally high standard of performance. It is a reaffirmation of an honorable tradition of service to the nation. The success of our mission is dependent on the total of the skills and dedication which each brings to the performance of his or her task. As the head of the Department, I am at most the sum total of all its parts. As such, I feel proud as I stand here on this occasion.

Now it is my high privilege to present one who knows at firsthand our Foreign Service through his own great services at home and abroad, in war and in peace, one who provides us with our greatest inspiration because of his own life of dedicated service to the welfare of our Nation—the President of the United States.

THE PRESIDENT

White House press release dated October 19

In his opening remarks the Secretary well described my relationships with this great group, both with the Foreign Service and with the State Department civil personnel. So you can understand why I feel that this is a family gathering. I feel it keenly and hope you do the same, because you are the people that execute a responsibility that is laid upon me by our Constitution—the responsibility for the foreign affairs of our country.

You are, of course, in carrying this responsibility, concerned with promoting the prosperity and happiness and well-being of the United States, through solidifying those relations with other nations that will be helpful in this regard.

Now this can be done only in peace. Since the advent of nuclear weapons, it seems clear that there is no longer any alternative to peace if there is to be a happy and well world. I often recall an argument I got into once with a foreign diplomat. He was a member of the British Foreign Office. And he was very worried about the arrangement that had been made to place the control of Germany temporarily in the hands of soldiers. He thought—and I don't know why—that those war-weary soldiers would be too anxious to start a war, and finally in rather resentful disgust I said to him, "My friend, I would like for you to know that the soldier has only one excuse for living in this world, and that is to regain the peace that you diplomats lost in the first place."

Now the reason I bring this up is that, even if there was a modicum of truth in what I said then, there no longer is. The soldier can no longer regain a peace that is usable to the world. I believe that the best he could do would be to retain some semblance of a tattered nation in a world that was very greatly in ashes and relics of destruction. But possibly he could keep us from immediate and complete domination by some outside force. That would be a poor climate in which to start again the development of a peace. Certainly it would be a far worse opportunity than we now have.

The reason I paint this little picture—even in a sort of digression—is this: We have glorious opportunity ahead of us, because we have opportunity in a world that has not yet suffered that kind of destruction—pray God must not suffer that kind of destruction.

In these halting words, and with these halting examples, I am trying to impress upon you my opinion of the importance of your work. There is no task facing the world today so important as maintaining a peace and giving to the world confidence that that peace will be just and lasting.

That is the measure of what you people and those like you—those above you and those below you—in these services must do for America.

Now, some among you today are being rewarded for unusual service. I have been a party to such ceremonies in the military service many times during my lifetime. They reward for courage, unusual ability, and devotion and dedication, just as do you people. And I remind you that in my conviction your work is now more important than theirs. But I want to bring out another point. Those experiences I had in the military service convinced me that the gradations in character among the different services is often difficult to determine. We select one man for a decoration and then another man is not selected. And yet the second man may have faced hardships, dangers, and privation. But you can say, well, if this service is not rewarded what shall we do? I think you can only remind yourself of the words on the Iwo Jima Statue, "Uncommon Courage Was a Common Virtue."

So these people, as they come up to be decorated, will be representative of each of you. Each of you will at least vicariously and in some small part be a recipient of that same award. By the same token, one day undoubtedly you will be standing

there to receive a token that will be representative of the work of a great body. Because only as we think of it in that way, only as we work together from top to bottom, only as we give loyalty and not jealousy and envy, only as we cling together secure in our confidence that we are dedicated to the great ideals of Americanism, justice and decency and fair play—even for those with whom we are dealing, sometimes at sword-points, across the distances of an ocean—only as we do that can we be truly successful.

If there is any organization that should have the highest morale based firmly in its own convictions as to the importance of its work, the necessity for successful accomplishment regardless of what critic or opponent may say, a morale based in that high belief in a cause, then that should be the Foreign Service and the State Department—as, indeed, I believe it is.

So you can understand something of the happiness I feel when I gather here with you to witness the decoration of a few among you who, standing as symbols for all, will exemplify and typify the appreciation that your country feels toward them—and each.

Rededication of Memorial to Foreign Service Officers

Press release 568 dated October 11

Following are the texts of remarks made on October 11 by Secretary Dulles; the remarks of Deputy Under Secretary Murphy, who introduced the Secretary; and a letter from President Eisenhower to Mr. Dulles read by Mr. Murphy at a ceremony at the Department of State rededicating the Foreign Service memorial tablet honoring Americans who lost their lives under heroic or tragic circumstances while on active duty in the United States Foreign Service.

Remarks by Mr. Murphy

Mr. Secretary, early in 1933 a significant ceremony took place in the lobby of the old State Department building on Pennsylvania Avenue. A memorial tablet honoring diplomatic and consular officers who had lost their lives in line of duty was unveiled by Secretary of State Henry L. Stimson.

This memorial tablet was just recently moved here to the new headquarters of the Department

of State, where it might better serve as a reminder and inspiration to officers and employees of the Department and the Foreign Service, and to visitors who pass through this hall.

Today we are gathered here for the purpose of rededicating this monument to the 65 members of the American Foreign Service who lost their lives under tragic or heroic circumstances between the years of 1780 and 1933, and of paying tribute to the six additional members whose names have been added to this roll of honor subsequent to its original dedication.

Sharing this solemn observance with us from the Department and the Foreign Service, I am happy to note, are Chairman Henry M. Wriston and other members of the Secretary's Public Committee on Personnel, who are so deeply interested in the Foreign Service.

And now it is my great privilege, as President of the American Foreign Service Association, to invite our distinguished Honorary President, the Secretary of State, John Foster Dulles, to speak.

Remarks by Secretary Dulles

I am very glad to respond to the invitation of the President of the Foreign Service Association to rededicate this memorial. Mr. Murphy, as Deputy Under Secretary of State, is also the highest ranking career member of the Foreign Service. On this moving occasion, he represents a corps of men and women whose tradition of quiet devotion to the national interest is older than the Republic itself.

In 1780 William Palfrey, commissioned by the Continental Congress as the first United States consul, was lost at sea on the way to his post in France. Since then, 71 diplomatic and consular officers have lost their lives on active duty under "heroic or tragic circumstances." One died 3 years ago while rescuing fellow workers when the United States chancery building in Korea was destroyed by fire. One lost his life on a torpedoed ship during World War I. Several were killed in earthquakes or volcanic eruptions. Some died of disease while serving in remote posts. A number were assassinated. All gave their lives in the service of their country.

We who come here today in grateful memory of these men of the Foreign Service would do well to keep in mind that it is beyond our power to honor them. It is they who, by the quality of

their service, have honored us. It is they who have responded to the challenge of the poet: "Act well your part; there all the honour lies."

Mr. Murphy has a letter from the President of the United States which I ask him now to read.

Letter From President Eisenhower

LOWRY AIR FORCE BASE,
COLORADO

October 9, 1954

The Honorable JOHN FOSTER DULLES
Secretary of State

I count it a privilege to join with you and the members of the Foreign Service in paying tribute to the men of that Service who lost their lives under heroic or tragic circumstances in carrying out their duties on foreign soil. As we rededicate their memorial let us also rededicate ourselves to the high ideals of the organization which they so nobly served. Under inspired leadership, I know that the men and women of our splendid Foreign Service will tirelessly attack the grave problems before them, with courage, with intelligence, and with full devotion to the proud traditions of our land of freedom.

Sincerely,

DWIGHT D. EISENHOWER

Paris Conference on European Security

Following is the text of a nine-power communique issued at Paris on October 21, together with a statement made by Secretary Dulles at the Washington National Airport on October 19 and a list of the principal U.S. delegates to the Special Ministerial Meeting of the North Atlantic Council.

COMMUNIQUE OF OCTOBER 21

The Foreign Ministers of Belgium, Canada, France, the Federal Republic of Germany, Italy, Luxembourg, the Netherlands, the United Kingdom and the United States of America (M. Spaak, Mr. Pearson, M. Mendes-France, Dr. Adenauer, M. Martino, M. Bech, M. Beyen, Sir Anthony Eden and Mr. Foster Dulles) met in Paris on October 21st to complete the discussions begun at the recent London conference on security and

European integration within the framework of a developing Atlantic community dedicated to peace and freedom.¹

The Ministers were informed of the agreement reached between the Foreign Ministers of France, the German Federal Republic, the United Kingdom and the United States of America in regard to ending the occupation regime in the Federal Republic.

The nine Ministers then considered the reports of the working parties set up in Paris and London to give effect to the principles agreed at the London conference. They reached agreement on the text of four protocols strengthening and extending the scope of the Brussels Treaty Organization, expanded to provide for the participation of Italy and of the German Federal Republic, and on the text of accompanying documents.

They agreed that the London working group consisting of representatives of Belgium, France, the German Federal Republic, Italy, Luxembourg, the Netherlands and the United Kingdom should remain in being during the interim period before the formal accession of the German Federal Republic and Italy to the Brussels Treaty Organization.

The Ministers expressed to the secretaries general of the North Atlantic Treaty Organization and of the Brussels Treaty Organization, who were invited to be present at the meeting, their thanks for the valuable preparatory work done in the two organizations between the London and Paris conferences and for the facilities placed at their disposal by NATO for their meetings in Paris.

STATEMENT BY SECRETARY DULLES

Press release 592 dated October 19

I am leaving for Paris to follow up the work of the London conference of 2 weeks ago. At that time it was agreed to restore German sovereignty, to amend the Brussels Treaty to admit Germany and Italy and to establish a "Council of the Western European Union," and to bring the Federal Republic of Germany into the North Atlantic Treaty. Since the London conference, work has been proceeding on the completion of the documents needed to put into effect these historic deci-

¹ For text of the final act of the London Conference, see BULLETIN of Oct. 11, 1954, p. 515.

sions, and it is hoped that the final executive acts can take place at Paris.

There is first to be a meeting on the questions relating to German sovereignty. This will bring together Chancellor Adenauer and the Foreign Ministers of the three Western occupying powers—Mr. Eden of Britain, Mr. Mendès-France of France, and myself.

Then there will be a meeting of the same nine Foreign Ministers who met in London and who worked out the plan for making over the Brussels Treaty into a means of achieving a large measure of European defense unity. The United States, while deeply interested in this development, will not itself be a member of this Brussels Treaty group. But we will cooperate closely with the treaty powers, within the framework of the North Atlantic Treaty.

Then there will be a meeting on October 22 of the North Atlantic Treaty Ministerial Council. At that meeting, consideration will be given to inviting German membership and to strengthening the authority of the Supreme Allied Commander so that he can more effectively integrate the NATO forces, including those of Germany.

There are many difficult problems to be solved. However, I believe they can be solved if it is possible to sustain the good spirit of cooperation and sense of high responsibility which were developed at the London conference.

As I said in going to that conference,² the primary responsibility rests upon the European countries themselves. The United States, however, has a vital interest in the outcome. We shall be sympathetic and responsive to effective steps by the European countries to promote their strength and unity in the defense of freedom.

U.S. DELEGATION TO NAC MEETING

Press release 590 dated October 19

United States representatives

John Foster Dulles, Secretary of State

Special Assistant, Roderic L. O'Connor

Robert B. Anderson, Deputy Secretary of Defense

Senior advisers

David K. E. Bruce, U.S. Representative to the European Coal and Steel Community

James B. Conant, U.S. High Commissioner for Germany

General J. Lawton Collins, U.S.A., U.S. Representative on the Military Committee

J. Douglas Dillon, American Ambassador to France

² *Ibid.*, Oct. 4, 1954, p. 489.

H. Struve Hensel, Assistant Secretary of Defense for International Security Affairs

John C. Hughes, U.S. Permanent Representative on the North Atlantic Council

Carl W. McCardle, Assistant Secretary of State for Public Affairs

Livingston T. Merchant, Coordinator, Assistant Secretary of State for European Affairs

Strengthening Pakistan's Economy and Defense Capabilities

U.S.-PAKISTAN COMMUNIQUE OF OCTOBER 21

Press release 599 dated October 21

As the visit to Washington of Prime Minister Mohammed Ali of Pakistan draws to a close, the Government of the United States and the Government of Pakistan consider it fitting to reaffirm their common purpose in striving to assure peace and economic security to their peoples. They are convinced that those objectives can be attained through measures of collective security, self-help and economic cooperation. At the same time, they share a common conviction that their goals can be attained only where fundamental spiritual values are permitted to flourish.

The Prime Minister and cabinet members accompanying him have had discussions of problems of mutual interest with a number of high-ranking officials of the United States, including President Eisenhower, Secretary of State Dulles, Secretary of Defense Wilson and Foreign Operations Administration Director Stassen.

The discussions were preceded and have been accompanied by earnest efforts within the United States Government to determine measures which the United States might take to strengthen Pakistan, bearing in mind Pakistan's special position in the Middle East and South Asia, its unreserved friendship and cooperation with the United States in its efforts for the security of the free world, and the economic problems with which Pakistan is at present faced.

With the report of the special FOA mission sent to Pakistan last summer under the leadership of Mr. H. J. Heinz II, it became clear that, despite its own tremendous efforts, Pakistan was in urgent need of increased economic assistance to ameliorate shortages of consumers goods and industrial raw materials, and that economic development pro-

grams must be increased if economic stability were to be attained. Accordingly, it has been agreed that the United States Government will make available to Pakistan in the current fiscal year about \$105 million in economic aid, part of which will be in the form of loans. This figure, which is five times last year's aid, includes funds for technical assistance, flood relief as previously agreed upon consequent to the disaster of last August in East Pakistan, and funds for developmental purposes. To meet Pakistan's urgent needs for consumer goods and industrial raw materials, the total figure also includes a substantial amount in the form of agricultural commodities.

The Colombo Plan

by Samuel C. Waugh

*Assistant Secretary for Economic Affairs*¹

The theme of your conference is "Strengthening Economic Ties Between the United States and Asia." There is no need to tell this audience the importance of that objective. Indeed, your Council exists largely for that purpose—to enlarge American understanding of the nature and content of our economic relations with Asia and to strengthen the economic ties between our country and Asian countries.

Neither do I need to tell the members of this audience how important it is for our own interests and for the sake of peace and stability in the world that the aspirations of the countries of Asia for economic progress should be fulfilled. In those countries it is literally true that the future of the democratic way of life and the democratic form of government depends to a very considerable extent on whether or not it will prove possible to

Recognizing Pakistan's position in the common defense effort and following the military assistance agreement signed with the United States this spring, the United States will endeavor to accelerate the substantial military aid programs for Pakistan, which are beginning this year. In this connection, the United States cannot make commitments beyond the limits of existing and current appropriations. However, the Government of the United States and the Government of Pakistan intend to continue to study together in this and future years the best means of achieving their mutual objective: the strengthening of the economy and the defense capabilities of Pakistan.

achieve some measurable economic progress, some visible economic development, by democratic methods.

All of the free countries of Asia stand challenged by the totalitarian governments of Russia and Red China. They are constantly being told that enormous progress has been made and is being made in those Communist countries. They are not in a position to say that this is not so. They know, however, that if it is so this progress is being accomplished at a great price in human freedom and dignity.

Nevertheless, whatever progress is being made in the slave states is a challenge to the free countries. The peoples of those free countries—many of them newly independent and newly possessed of the freedom to manage their own affairs—have chosen a system of government that is democratic and free. The peoples in these countries, however, are not academic political scientists; they are farmers in the fields and workers in the factories. To them the worth of a political system is measured by what it can do—what it can produce in

¹ Address made before Far East-America Council of Commerce and Industry, New York, N. Y., on Oct. 14 (press release 575 dated Oct. 13).

For an article on the Colombo Plan, see *BULLETIN* of Sept. 22, 1952, p. 441.

the way of economic well-being and increasing general welfare.

To us the outcome of this challenge and this effort is of the greatest importance. I need not belabor with you the reasons why this is so. You know them full well.

I have been asked to talk today about one important set of economic ties between the free countries of Asia and the United States and certain other free countries of the West—the Colombo Plan. In fact, I suggested I might talk to you about the Colombo Plan—in the first place, because I have just returned from Ottawa where I headed our United States delegation at the annual meeting of the Colombo Plan countries; and in the second place, because I think that not enough of our people understand what the Colombo Plan is and what our relationship to the Plan involves.

The Colombo Plan was conceived initially in 1950 as an organization of Commonwealth countries to focus attention on the economic development problems of the countries of South and Southeast Asia. It is designed to provide a framework within which international cooperative efforts can be made to promote sound and enduring economic progress in that area.

As I said, in its origins the Colombo Plan was a Commonwealth concept. It initially included on the one side the economically developed countries of the Commonwealth such as Great Britain, Canada, Australia, and New Zealand; and on the other side the newly independent or not yet fully independent Asian countries members of the Commonwealth such as India, Pakistan, Ceylon, Malaya, British Borneo, plus Burma.

In the interim, however, the geographic scope of the membership has been so radically enlarged that it can no longer be thought of as being, in any way except historically, a Commonwealth project. Not only has the United States since 1951 associated itself as a full member, but other non-Commonwealth countries of South and Southeast Asia have also joined, such as Cambodia, Laos, Vietnam, and Indonesia. Last week at Ottawa, Japan was admitted to membership, and Thailand and the Philippines, which had heretofore been observers, also became full members. In all, there are now 17 member countries, and the area stretches from Pakistan to the Philippines. In this area live 720 million people, about 29 percent of the world's population.

A Committee for Economic Development

What is the Colombo Plan? The easiest and most enlightening answer to that question is to explain it is not a plan in the commonly accepted use of the word "plan," but that it is exactly what its title says it is—the Consultative Committee for Economic Development in South and Southeast Asia. It is a committee of nations all of which are, for one reason or another, constructively interested in the economic development of the free countries of this area. It is a consultative committee, not a continuing organization. There were initial formative meetings of the group in 1950 and 1951 at Colombo, at Canberra, and at London. Starting in 1952 there have been annual meetings to review progress in economic development and to assess prospects for the future.

In the course of the formative meetings the member countries of the South and Southeast Asia area were encouraged to formulate economic development programs and thereby to translate their somewhat vague aspirations for economic progress into concrete schedules of definite and identifiable things to be done. In order to lend concreteness and definiteness to the undertaking, the countries agreed to envisage a 6-year period extending from July 1, 1951, to June 30, 1957, and to set down as specifically as possible what, during this period, they hoped to be able to accomplish, how they expected to finance their programs, what policies and legislative measures they expected to have to pursue, and what goals of investment and production they hoped to be able to reach.

These economic development programs—each of which is an individual country development program—when taken collectively are known as the Colombo Plan.

The subsequent meetings, which took place after the formative meetings, were held in 1952 and 1953 at Karachi and New Delhi, and this year (1954) in Ottawa. At these annual meetings the countries of the area review the results of the year just passed. They lay out on the table for frank and friendly discussion what they have accomplished, what they have failed to accomplish, what difficulties they have encountered, what changes they have felt constrained to make in their development plans, and what policies they have pursued. Similarly, they evaluate their prospects for the future; they try to assess what is likely to happen in the way of changes in the terms of

trade, increases or decreases in public revenues, shortfalls or overages in the achievement of specific development targets. They appraise what has been available to them heretofore and what is likely to be available in the future in the way of external assistance. They examine what has been and what is likely to be the role of private foreign investment in their economic development, what they have done and left undone to attract foreign investment and mobilize domestic capital.

The Colombo Plan period from 1951 to 1957 is, you will notice, just a little bit more than half over. After the formative meetings the significance of the 6-year framework has, I think, become progressively less. The usefulness of the 6-year concept was that it helped and enabled the countries of the area to view their development problems more concretely. It forced them to examine their problems and their aspirations in terms of what definite, concrete things could be done within a finite and agreed period of time. This searching examination by the Colombo Plan countries was very healthy. It made for realism and for a very valuable, if painful, translation of general plans into precise projects.

Annual Review of Progress

Now, however, the benefits of this rigid time period have been realized. It is no longer necessary or even very useful to continue refining and modifying the 6-year targets. Indeed, at the very first annual review meeting—that held at Karachi in 1952—it was agreed by the Colombo Plan countries that they would no longer keep making technical and statistical adjustments in the 6-year plans. The plans were sufficiently definite that it would be possible—and more useful—to meet each year to review and assess what had been accomplished in the preceding year and to evaluate the tasks and the problems for the foreseeable period lying ahead.

It has been customary in the deliberations of the Consultative Committee to draw a loose line of distinction between the so-called recipient countries and the so-called contributing countries. The distinction is, however, becoming more and more a tenuous one because—and this is one of the great virtues of the Plan—there has been engendered a process of cooperation and mutual aid among the recipient countries such that almost all of them

are to greater or lesser extent contributing countries to one another. They borrow technical skills and technical assistance from each other according to their respective needs and their respective capacities to assist.

Nevertheless, certain member countries obviously are altogether or almost altogether contributing countries. The United States is one of this group.

I have said that we are a full member of the Colombo Plan. I have also said that we are a contributing-country member. Now what does this mean?

The point that must be emphasized is that the Colombo Plan is simply an intergovernmental committee. We do not contribute anything to any central pool. There is nothing analogous to the Organization for European Economic Cooperation. There is no process by which the contributions of the contributing countries are parceled out or allocated by any international organization. Our assistance to the countries of the area—like that provided by Canada, Australia, New Zealand, and the United Kingdom—is bilaterally given and bilaterally received. Our contribution, in other words, is the sum total we do in the various countries of the area to promote the economic development of those countries. Our aid programs are our governmental contribution. We are not under any contractual obligation either to provide any definite amount of assistance to any one country or to all of them taken together; nor, for that matter, are we under any contractual obligation to provide aid at all to any particular country. In Burma, for example, our aid program terminated at the request of the Burmese Government.

Neither are we under any obligation to provide assistance in any uniform way or according to any uniform pattern. Our aid programs in Viet-Nam, Laos, and Cambodia have been very different in their nature and orientation from our programs, for example, in India and Indonesia. Nevertheless, whatever we do to help to promote economic development in any of the countries of the area is accepted and regarded as our contribution in relation to that particular country.

I have been emphasizing our aid programs and our public contributions toward economic development in this area. Indeed, the whole Colombo Plan intellectual framework emphasizes to a very large extent public programs of economic development and public techniques of intergovernmental

cooperation. This is understandable. The governments of the area naturally are in a better position to measure what has been accomplished by public action and to assess what needs to be done through public development projects. Likewise the aid that is given by governments and received by governments is easier to measure than the less tangible benefits of private foreign investment.

Nevertheless, this natural tendency to concentrate upon what is done in what these countries call "the public sector" does not reflect any unhealthy bias in favor of public projects. Indeed, the countries of this area are fully aware of the benefits of and their need for private foreign capital. They have, for example, included prominently in their calculations of sources and possibilities of external assistance an assessment of what can be borrowed on the private international capital markets and of what steps need to be taken by them to improve their credit-worthiness. Many of the countries in the area have taken specific measures to improve the climate for foreign investment. They have issued official declarations welcoming foreign enterprise either in general or at least in specific fields. They have publicly recognized also that government measures are not the only factors governing the import of capital, and, for that matter, that the mere absence of discriminatory government measures is not in all cases sufficient to overcome the shyness of foreign capital. Hence they recognize further that if they desire foreign participation in specific fields they will probably have to take positive steps to attract it.

Therefore, in the various annual reviews the Colombo Plan countries have recognized and welcomed any evidence that may have developed during the preceding year of willingness on the part of foreign investors to undertake enterprises in the countries of the area, especially if these enterprises happen to be undertaken jointly with local capital—as was the case, for example, with the Sui gas project in Pakistan and the oil refinery investments in India and as promises to be the case in the investment finance corporations being established in India and Ceylon.

Private Capital Mobilized

The countries of the area have not only, therefore, recognized the need and the scope for private foreign participation in the development process;

they have also recognized the overwhelmingly urgent problem of mobilizing private domestic capital. In the most recent annual report, for example—that which was just prepared at Ottawa and which has not yet been published—they have noted that governments can help to mobilize private capital by seeking to minimize the hindrances to initiative arising from such factors as burdensome governmental regulations and irksome methods of tax administration.

In the annual meetings the countries of the area are prepared to face frankly the difficulties that exist and the shortcomings which have manifested themselves. These meetings are by no means a eulogy upon the accomplishments of the year just finished. They are rather a frank and friendly review of what has been done and what still needs to be done.

The prevailing tone, for example, of the annual report just drafted at Ottawa is one of optimism combined with stark realism. The countries, when they reviewed the pace and the content of economic development during the year just passed, were able to conclude that significant and encouraging progress had been made in a number of important respects but that there was no room for relaxation of effort. They recognized that in some countries the progress realized was relatively small; that throughout the region as a whole the population has been growing rapidly (indeed, at an annual rate of slightly over 9 million) and that, therefore, food production per capita (despite very creditable increases in total food output) was still below prewar levels; that underemployment in rural areas was widespread and that unemployment in urban areas, particularly of educated persons, presented a serious social problem; that trained personnel in many fields was not yet available in sufficient numbers; that in some of the countries of the area the process of formulating balanced development programs was still not far enough along; that there was only a narrow margin of production over consumption and that, therefore, the level of savings and the level of tax revenues provided on the whole only a precarious base for development financing.

This is indeed a formidable enumeration of problems to be faced and difficulties to be overcome. It is, of course, not the whole story. Just as I did not want you to think that the annual meetings of the Colombo Plan group of countries were limited to an uncritical eulogy of results

achieved, neither did I want you to think that they represent a session of breastbeating and complaining over the hardness of the task. Indeed, at this same Ottawa meeting which produced the catalogue of problems which I summarized a few minutes ago, the countries of the area were able also to record that their own outlays on development had increased considerably over those for the preceding year. In India, for example, development expenditures by public authorities for the year 1951-52 were roughly \$550 million. For the year 1953-54, they had increased to \$705 million and are expected for the year ending June 30 next to approximate \$1,170 million if financing is available. For Pakistan the comparable figures are for the fiscal year 1951-52, \$125 million; for the fiscal year 1953-54, \$275 million.

These, indeed, are very creditable results and expectations. I mention them merely lest you think that the sessions of the Colombo Plan meetings are devoted entirely to lamenting over the difficulties of the economic development problems of the area. But to return to the summation of the problems, the frankness with which the countries of the area have discussed among themselves and with us their problems and difficulties and shortcomings is in its aggregate a most gratifying experience. I am reminded of the remark made at the 1953 Colombo Plan meeting by Indian Finance Minister C. D. Deshmulh (who was the chairman) that the Colombo Plan was "a great experiment in human relations." It is very rarely that governments are able to come together and with so much freedom and honesty and openness to say what they have done, what they have failed to do, what they still need to do, what they intend to do, and what are the political and cultural limitations upon what they can do.

If there is any conclusion to be drawn as concerns what the members of this Far East-America Council might learn from the experience, at governmental level, in the Colombo Plan, it is, I should think, that there are almost limitless possibilities of fruitful cooperation between the United States and the countries of Asia if there is evidenced the same frankness, the same patience, and the same understanding. We in government know that there are difficulties in the way of establishing business connections in the countries of Asia. We know that there are frictions, there are uncertainties, there are difficulties of mutual understanding. However, from our experience at the

governmental level we are quite certain there is a great fund of common interest and of common viewpoint. We conclude, therefore, that there is much which should be done and can be done to accomplish the objective stated as the theme of this conference: "Strengthening Economic Ties Between the United States and Asia."

Transfer of Destroyers to Japan

Remarks by Everett F. Drumright¹

I consider it a great honor to represent the Secretary of State on this important occasion. Two destroyers of the United States Reserve Fleet are being turned over today on loan to the Government of Japan under the Mutual Security Program. His Excellency the Ambassador of Japan [Sadao Iguchi] is with us here to receive the vessels on behalf of his Government. Two Japanese crews, comprising officers and men of the Japanese Maritime Self-Defense Force, have been the welcome guests of this country for several weeks while they have been trained in the handling of these vessels. These Japanese crews will take the destroyers to Japan, where they will be an important addition to the modest defensive forces which Japan has now begun to establish.

It is appropriate for us to recall at this moment the words of Prime Minister Yoshida at the San Francisco Conference, on the conclusion and signature of the Treaty of Peace with Japan. At that time he so aptly stated:

Unfortunately, the sinister forces of totalitarian oppression and tyranny operate still throughout the globe. These forces are sweeping over half the Asiatic continent—sowing seeds of dissension—spreading unrest and confusion—and breaking out into open aggression here and there—indeed, at the very door of Japan.

The Prime Minister went on to say:

When the Allied troops are withdrawn from our country with the conclusion of peace—producing a state of vacuum in the country—it is clear as day that this tide of aggression will beat down upon our shores. It is imperative for the sake of our very existence that we take an adequate security measure.

To meet the danger he had described, Prime Minister Yoshida shortly after the conclusion of the peace treaty signed a Security Treaty entered

¹ Made at Charleston, S. C., on Oct. 19 (press release 583 dated Oct. 18). Mr. Drumright is Deputy Assistant Secretary for Far Eastern Affairs.

into between Japan and the United States.² In this treaty the United States indicated its willingness to maintain certain of its armed forces in Japan, in the expectation that Japan would increasingly assume responsibility for its own defense against direct or indirect aggression. This treaty recognized the threat of aggression against Japan and Japan's inability at that time to provide adequately for its own defense.

The danger that Prime Minister Yoshida so fully recognized at that time still exists. Japan continues to be a major target of the international Communist conspiracy. However, since September 1951 the Government and the people of Japan have taken steps to assume increasing responsibility for the defense of their homeland. In the last session of the Diet, approval was given to the expansion of Japanese armed forces. The mission of these forces was also amended to include specific responsibility for defense against external aggression. In the meantime, the Japanese Government and the U.S. Government had signed a Mutual Defense Assistance Agreement.³ This gives the legal basis for the United States to provide military assistance to Japan under the Mutual Security Program. This program is based on the premise that only by true mutual effort can the nations of the free world reserve their independence and freedom. I cannot help at this moment but recall your very profound statement, Mr. Ambassador, at the Japan Society Dinner in New York City on March 18, 1954. You then said:

In this common endeavor for our mutual self-preservation, Japan is now ready to contribute her proper share. Out of the tragedy of war and out of the political, economic, social, and moral convulsions which followed in the wake of conflict, Japan has emerged with a keen realization that she cannot stand alone in this world.

² BULLETIN of Sept. 17, 1951, p. 463.

³ *Ibid.*, Apr. 5, 1954, p. 518.

Mr. Ambassador, no member of the free world community can stand alone today. Our very presence here in Charleston is indicative of the true mutuality of the free world. The loan of these two vessels to your Government represents not only the intention of the U.S. Government to assist in the defense of Japan, but also the desire of your Government to assume this responsibility. The strength of the entire free world is dependent on the individual strength of its members. We have very recently seen in the conclusion of the Manila Pact further recognition of the interdependence of free nations in their common determination to resist aggression. Your Foreign Minister has pledged Japan's moral support to this arrangement. As time progresses, Japan will achieve its own position of strength in the Far East and will be better able to contribute to the common effort.

These two vessels—the *Asakaze*, meaning Morning Breeze, and the *Hatakaze*, meaning Flag-fluttering Breeze—will play their part in securing the defense of Japan. I am sure that the Japanese Maritime Self-Defense Force has chosen well you officers and men who take these vessels back to their duty stations. I know that you will take back to Japan more than the technical knowledge of ships acquired during your few months of training here. I am sure that you will take back to your people the strong friendship, esteem, and good will which our people feel for yours.

I wish you a pleasant voyage and success in your future missions.

Letters of Credence

Union of South Africa

The newly appointed Ambassador of the Union of South Africa, Dr. John Edward Holloway, presented his credentials to the President on October 18. For the text of the Ambassador's remarks and the text of the President's reply, see Department of State press release 582.

Economic Development and Political Evolution in Asia

by Charles F. Baldwin

Economic Coordinator, Bureau of Far Eastern Affairs¹

The political evolution of a nation and of a people is not something which develops out of the doctrines of political philosophy or the activities of political leaders alone. It comes about as a result of a fusion of the forces which most directly affect and condition the lives of the people of the country. One of the most influential of those is the economic force.

It is surely true that man cannot live by bread alone. The materialistic doctrines of Marxian dogma leave unsatisfied urges of mankind which far transcend the material. It is, however, equally true that the spirit of man, which stimulates the political development of free men, finds hope and encouragement in an atmosphere of material progress and personal well-being. That fact is implicit in the concepts of democracy.

One of the vitally important necessities of modern life is to see international developments in reality—not influenced by preconceived ideas or wishful thinking. If we look beneath the surface of Asian events today—as we must if we are to understand them clearly—we see Asia as a vast area where two powerful political movements have been occurring simultaneously. One of them, which represents the age-old longing of human beings to control their own destinies, we can call the revolution of Asian nationalism. The other, representing the equally old determination of a ruling clique to gain and exercise power by any means, is the massive and menacing impact of communism. One of these forces could light the way to greater human freedom and advancement

in Asia; the other could extinguish that light for a long time.

Since the last war the political status of hundreds of millions of Asians has been changed completely. Before the war no country of South and Southeast Asia, with the single exception of Thailand, governed itself. Now, all of them (India, Pakistan, Ceylon, Burma, Indonesia, the Philippines, Thailand, Cambodia, Laos, and the non-Communist part of Viet-Nam) are self-governing—all except Malaya, which has been promised its independence by the British Government. This is an historical fact not only of profound political importance but of almost equally significant economic importance.

The government of each of these newly independent countries bears the heavy responsibility of establishing and maintaining an economic climate which will be conducive to political stability—an atmosphere in which the spirit of political independence and personal freedom will flourish. Essential to the welfare of these countries, therefore, is a process of economic development which will insure a steady increase in the opportunities for the advancement of their people and which will better satisfy the aspirations of their people.

This need for economic growth is a basic part of the economic problem of Asia, which is really two problems which tend to be complementary. Japan, the only country which is highly advanced industrially, has experienced the characteristic postwar difficulties of the large industrial countries, complicated by a shortage of natural resources. All of the other free Asian countries reveal the customary characteristics of retarded

¹ Address made before the Far East-America Council of Commerce and Industry, New York, N. Y., on Oct. 14 (press release 577).

economic development. In all of them progress—in some of them considerable progress—in attacking the problem has been made, but a great deal more remains to be done.

The people of these countries want a higher standard of living. Their governments have promised them a higher standard of living. If those promises are not kept, or if for any other reason economic improvement does not take place, public disillusionment and resentment will replace hope and confidence, and the opportunities for troublemakers to take advantage of public discontent will multiply.

There is a temptation, when we are confronted by problems so vast and perplexing as those of Asia, to resort to generalities which, while momentarily comforting, do not always hold up under analysis. The problem of economic underdevelopment in Asia is far reaching, deeply rooted, and not susceptible of quick and easy solution. It is possible, however, to identify the main elements of the problem and to suggest at least an approach to the solution.

Low Per Capita Incomes

The most simplified statement of the basic problem is that the income of the average Asian is too small to produce the savings needed to finance adequate economic development. Japan, Malaya, and the Philippines have annual per capita national incomes equivalent to around \$200. The figure for Ceylon is roughly about one-half of that amount; in Thailand, the Indochina states, and Indonesia it ranges from about \$60 to \$75, while in Burma and India it is even lower. In an area of rapidly increasing population, an income which is distributed so thinly is unable to satisfy basic needs and also provide sufficient economic stimulus to raise appreciably the relatively low level of economic development.

There are, of course, factors other than low income and a slow rate of capital formation which are retarding economic progress. Because of the inability to generate internally sufficient capital for investment purposes, a steady and increasing flow of outside capital could be an important economic stimulant. Unfortunately, the movement of foreign private investment capital to Asia since the war has been little more than a trickle in comparison with the needs. In recent years net private foreign capital investment in the countries

of South and Southeast Asia has amounted to only about \$25 million per year, slightly over one-half of which has been United States private investment. One can hope that more foreign private capital will move into free Asia for productive purposes within the next few years, but it seems unlikely that such additional resources will be sufficient to change appreciably the overall economic situation in the near future.

Directly affecting the scale of economic development in Asia is the problem of human attitudes. Under the most favorable circumstances the evolution of new ideas and practices in Asia will require time and painstaking effort. The gap between the concepts about material aspects of life of a great many Asians and of dwellers in more industrially advanced countries is wide. Many of those concepts have a deeply rooted religious and philosophical basis, and the task of adjusting them to the requirements of a more complex economic society will challenge the wisdom and patience of Asian governments and leaders. In fact, the ability to bring about this transition under tolerable conditions may prove to be one of the greatest tests of the governments of Asian countries.

Essential to the accomplishment of this transition will be the development of an entrepreneurial group of sufficient size and experience to undertake and manage the kind of projects which are needed.

Equally necessary will be an enlargement of the present Asian reservoir of skilled technicians. The technical assistance programs which have been carried on in Asia with the support of the United States and other countries have begun to reduce the proportions of this problem to some extent, but it is still a fundamental obstacle. A great deal more in the way of technical training in the shortest possible time will have to be accomplished, both by private enterprise and by governments in Asia, before a sound technical foundation to support a durable structure of economic development can be built.

Closely associated with the human factor is the need for sound governmental policies to support the process of economic growth. Wise budgetary and fiscal policies will be necessary to prevent "feast and famine" trends and to derive full benefits from each stage of economic progress. This will not be an easy task, particularly for the gov-

ernments of the newly independent countries which are having to learn quickly the difficult lessons of governing in the modern world, but it will be an essential task.

Basic Objectives

There are differences of opinion with respect to the best means of accelerating economic development in Asia. To the young Dyak whom I met a few months ago in the interior of Borneo and who was studying better methods of basic agriculture under an Australian technical instructor, economic development has one meaning. To the Chinese manager of a new textile plant in Singapore whom I met a few days later, it has another. The pattern must, of course, necessarily vary according to different conditions in different countries. In general, however, the following objectives should be sought—and in fact are being sought by many of the country developmental programs today:

A basic objective should be to increase agricultural efficiency, exploit agricultural potentialities more fully, and better diversify agricultural output. The free Asian countries have essentially agrarian economies; the process of their industrialization should rest upon an increasingly strong foundation of agricultural productivity. In the countries of free Asia there is a challenging opportunity to demonstrate that economic development in a free society need not be at the expense of agriculture, as it has been under Communist planning, but can benefit the tillers of the soil as well as the workers in industry.

Another objective should be the provision of more adequate transportation and a more abundant supply of power. Those of you who have traveled off the well-beaten paths in Asia need not be reminded of the primitive transportation facilities which are often the rule rather than the exception. The provision of better transportation and more abundant power should, of course, be designed to stimulate and not outdistance the general pace of economic development, but it can and it should be an important stimulant.

An essential objective should, of course, be the development of industries which are economically justified and most likely to contribute to economic growth and to the expansion of trade. This is the most alluring sector of any economic develop-

ment program and the one which presents the most dangerous pitfalls. In this vitally important phase of economic development, intelligent and realistic forethought will be necessary to avoid the uneconomical expenditure of time, effort, and money and to insure that industrialization will be of the kind most suited to the available human and material resources.

There is a rather understandable tendency in most underdeveloped countries to try to emulate the more highly industrialized countries without always considering fully the phases of development through which those countries have passed. While big, basic industries play a vital part in the economic life of the United States and other industrial nations, the role of the small industries has also been a vital one. Their role in the economic growth of Asia can also be of fundamental importance.

Private American businessmen and investors have already been able to contribute substantially, directly and by example, to the economic development of Asia; they should be able to make an even more important contribution in the future. Every Asian employee that is trained, every employee benefit program that is instituted, every new, constructive investment that is made, and every new technical process which is introduced and applied assists in the endeavor. Many American firms are doing these things today. We hope that the number will increase in the future.

The need for workable plans of economic development and for their accomplishment is recognized by almost every enlightened Asian. It is highly important from the standpoint of the security of the people of the free world that these plans should be realized. Only by their realization can the trade of these countries with their great populations be expanded with benefits not only to themselves but to other countries of the free world. Only by their realization can Asian expectations be satisfied and economic and political stability achieved.

The problems which will continue to arise in Asia will test the capacity of the Asians and of their non-Asian friends to concentrate on the larger and essential objectives and not be distracted by momentary setbacks and rebuffs. Many countries of Asia are endeavoring to achieve economic evolution in a relatively short period of time and under conditions much more disad-

vantageous than those which attended the growth of the now highly developed countries. As they struggle to develop, they will need the friendly and sympathetic understanding and assistance which the United States and other economically advanced countries can extend to them. By the ex-

tension of such assistance, we can demonstrate our good intentions and the sincerity of our friendship. We can also make more secure for the free people of Asia as well as for ourselves the benefits which economic, political, and social stability in a free society can make possible.

The Need for a More Liberal Foreign Trade Policy

by Winthrop W. Aldrich
*Ambassador to Great Britain*¹

I have now spent almost 2 years in London. In the course of these 2 years I have had the privilege of observing at very close range a truly extraordinary series of American diplomatic successes. Under the wise guidance and leadership of President Eisenhower and Secretary of State Dulles the United States has been cast more and more in the role of a good partner in the fellowship of nations.

The Korean War was fought by us in that spirit of partnership against aggression which gives the United Nations meaning; and the armistice which came at last was the result of long and concerted effort by the free nations.

In this spirit of partnership we were able to assist Great Britain and Egypt in the final settlement in regard to the Suez Canal Base. In this same spirit we also played a helpful part in the conclusion of the Iranian oil dispute.

The Manila Pact and the ringing Pacific Charter that was signed there were twin landmarks. The pact was a firm step in collective self-defense in Southeast Asia, and the charter was a bold proclamation of the principles of self-determination, self-government, and independence in that part of the world.

And now within the last few days can be added the triumphant conclusion of the Nine-Power

Conference and the signing of the Trieste Agreement.

The pact that was signed at the Nine-Power Conference is, I believe, the best arrangement for the security of Western Europe that could be found after the rejection of EDC. Out of the vacuum that the collapse of EDC created, and the anxious month that followed it, has emerged a workable plan for the sovereignty and rearmament of Germany and a hard core of unity at the center of the North Atlantic Community. The successful work of the architects at London has been crowned by the approval of the German Bundestag and—just the day before yesterday—by the approval of the French National Assembly.

During the whole period of the Conference Great Britain and the United States worked together in the closest fellowship. We rendered support to our great ally, who had taken the initiative in finding a plan to fill the vacuum created by the rejection of EDC.

Because the collapse of the EDC plan was a collapse from within, Mr. Dulles wisely felt that the initiative for new proposals at the Nine-Power Conference rested with the European nations there. But his statesmanship helped to guide the Conference over many shoals.

Trieste was also essentially a European problem, a 9-year fever spot where the territorial wishes of Italy and Yugoslavia appeared irreconcilable. But a long year of discussions and con-

¹ Address made before the Board of Trade of New York at New York, N. Y., on Oct. 14 (press release 576).

ferences, in which Great Britain and the United States assisted, finally brought about a compromise, and one more danger spot has been removed.

All of these events that I have enumerated will cause no comfort to the Soviet. The partnership of free nations has been tremendously strengthened by these achievements.

And now to speak of more immediate business.

Importance of Trade Relations

As members of the Board of Trade in the largest port and the leading commercial center of our Nation, you are vitally concerned with the foreign economic policy of the United States. As American Ambassador to one of the world's great trading nations, I have been impressed anew with the enormous importance of our economic relations with the rest of the world, not only in the economic sphere but in the political and military spheres as well.

The phenomenal growth of our country and its transformation in so short a time from a new underdeveloped continent into the greatest economic power on earth have caused our foreign trade relations to become a problem of extraordinary urgency.

I believe that an increasing number of our people, and particularly of our business community, have become aware of the problem and clearly understand where the solution lies. And we are indeed fortunate that today we have in the White House a President who *has* this clear understanding.

To meet the needs of the times, the American people should have as one of their main objectives the promotion of the highest possible levels of international trade.

As a nation devoted to the ideal of free, competitive enterprise, we have a natural leaning toward a world in which trade is conducted on a multilateral basis, in which there is no discrimination between sources of supply, in which every businessman has a chance to trade according to his choice and his capabilities, in which there is a minimum of government interference, and in which currencies are freely convertible. We all know that these conditions will not be created unless the U. S. is prepared to take a hand in bringing them about.

That is why I believe the recent recommenda-

tions of the President's Commission on Foreign Economic Policy,² headed by Mr. Clarence B. Randall, should be adopted. They constitute a hardheaded practical program designed to fit smoothly into our American economy and to further the national interest.

We must not let ourselves be deluded into thinking that anything we do in this direction is merely for the benefit of other people or is designed to save the whole world at our own expense. Quite the contrary. A liberal foreign trade policy for the U. S. is dictated by the intelligent self-interest of the American people. It will certainly help other free nations, and it will certainly strengthen the bulwarks of freedom everywhere. But it is equally essential for our own increased prosperity here in America and for the ultimate security of our own land and our way of life.

Since I have been in London I have had it brought home to me time and again how direct and sharp are the effects of our foreign trade policy on our own economic welfare in the United States.

Large numbers of Americans count on export markets for their livelihood and their standard of living. In agriculture alone we have about 40 million acres representing from 10 to 12 percent of the Nation's agricultural output, whose harvests go into the export trade. There are many American factories that sell their manufactures throughout the world. President Eisenhower has pointed out that the jobs of more than four million of our people depend on foreign trade.

Exports Dependent on Imports

It is an elementary fact of economic life that if we expect to receive dollars in payment for our exports, we have to make those dollars available abroad.

What does this mean? It means simply that if we restrict our imports under the theory that we are protecting America and the American standard of living, we are in fact doing exactly the opposite. Restriction of our imports means restriction of our exports. And that can mean reduced employment and living standards not only for the many Americans—farmers, manufacturers, workers—depending on exports, but for the American

² BULLETIN of Feb. 8, 1954, p. 187.

consuming public as a whole, which has to pay higher prices for its goods.

This point strikes you with much more force if you are sitting, as I do in London, at one of the points abroad where America buys and consequently is able to sell—or, sometimes unfortunately, where America does *not* buy and consequently cannot sell.

Day after day in London we in the Embassy have visits from Americans anxious to sell their products in the U.K. and British Commonwealth. They want to sell automobiles and hardwoods and fruits and many other U.S. products. They always get the same reply. "We like your products. We want them. But we do not have enough dollars. If we were able to earn the dollars, we would gladly buy from you."

And at the same time we hear from British businessmen of the difficulties they encounter in our market, of delays in customs formalities, of high tariffs in many cases, of low bids rejected on the basis of our Buy American requirements, and, above all, of uncertainty because of escape clauses or other provisions of our tariff laws governing the conditions under which they may do business.

All these difficulties that are put in the way of foreign imports to the United States frustrate the foreign exporter. But at the same time they do something else. They frustrate the American exporter as well. Every time we stop a possible import, we lose a probable sale abroad.

If we do not move in the direction of a more liberal trade policy, there is every likelihood that we will not stay where we are in foreign trade matters. We are more likely to move backward into the morass of greater restriction, narrow bilateralism, and lower volumes of trade. These things have a momentum of their own, backwards as well as forwards. Such a development could endanger our whole economy.

It is a fact of great significance that one of the main factors which kept our recession last winter from getting worse was the maintenance of a high demand for our goods abroad.

I believe the preponderance of opinion among American businessmen, farmers, labor leaders, and economists today is tending increasingly to the view that a more liberal U.S. foreign trade policy is essential to our own national prosperity.

But today there is an even more urgent reason—

over and above economic self-interest—why we should follow the lead of President Eisenhower and support a higher level of two-way trade. It is this: The safety of our Nation demands it.

This is an entirely new development. And again it is due to the tremendous importance which the American economy has now achieved in the world picture. Our market is so huge that a small upward or downward movement in our imports, unimportant as it may be in relation to our total consumption, may mean the difference between prosperity and depression for many other countries. And if things go seriously wrong with our economy and if we do not behave reasonably, intelligently, and fairly in the manner in which we handle our large share of world trade, economic havoc can be created in many places where it is to our national interest to see prosperity, stability, and good will.

In the world of today we must cultivate our friendships and strengthen our alliances. One of the most important factors in this process is the manner in which we deal with our foreign trade.

Liberal Policy Essential to Defense

There are three very specific reasons why a more liberal foreign trade policy is essential to the defense of the U.S.:

(1) If we provide a better market for our friends, we strengthen their economies. This makes a stronger foundation for their own defense efforts and makes their lands more immune from the enemy's fifth column, which feeds on economic difficulty. By liberalizing imports we achieve this by trade, which benefits ourselves as well as the other countries.

(2) Friendly countries that are denied access to the American market must find markets elsewhere. Our enemies do not miss any opportunity to exploit our shortcomings. They say, "You see, you cannot trade with the United States. Trade with us instead." To many who have found difficulty in trading with us, such as the Dutchman or Dane whose cheese or whose butter has been excluded from the United States, these words are bound to have their effect. Such offers have already had some serious effects on American trade as well as on our common security.

Now a certain amount of East-West trade may do no harm. It may possibly do some good. But

it would become dangerous if there should be too great a dependence by smaller and weaker countries in Europe and the East on Soviet markets for their prosperity and economic existence.

(3) As the strongest nation in the partnership of the free world, it is vital for the United States to keep the confidence of the nations to whom we are allied and on whom we depend. Time and again we have taken the initiative in suggesting and working out action which later on has been successfully taken by the free nations in concert. But I would be less than frank with you if I did not say that every time we seem to doubt or waver in the adoption and continuance of a firm liberal trade policy for the United States, we sow the seeds of doubt in the minds of other countries as to our dependability as a leading partner. Every time the Buy American act is enforced to favor the purchase of some higher costing American equipment over a lower foreign bid, it causes only a small ripple of interest on this side, but I can assure you it creates waves of headlines and criticism, resentment, and bitterness in the country affected overseas. The cost of this kind of so-called protection for a single American firm is terribly great to our Nation as a whole.

Randall Commission's Recommendation

That is why I would so strongly endorse the recommendation of the Randall Commission to amend drastically such discriminatory legislation. And that is why I believe so deeply in the wisdom and necessity of our adopting promptly the rest of the foreign economic policy which has been put forward by President Eisenhower.

Since the war, in addition to helping other countries militarily and financially to regain their strength, we have taken the lead in trying to develop sound trade rules based upon the principles of private enterprise, free competition, individual initiative, and equal opportunity. We have preached this gospel fervently to the rest of the world. I believe that we as well as others should live up to it.

One important step we can take is to enable the United States to play its full part in the General Agreement on Tariffs and Trade (GATT), which provides a framework of worldwide trade rules.

Our participation has been partially clouded by the fact that Congress has neither approved nor

disapproved the GATT. Nevertheless, its rules have been largely accepted as the rules of international trade. The countries which are parties to it have met frequently and have settled many trade problems which might otherwise have grown into troublesome disputes. A remarkable atmosphere of mutual understanding and trust has grown up in GATT, which is potentially a great unifying force in the free world. Such understanding and trust are especially necessary when, as at present, the Soviets are intensifying their "trade peace offensive."

Many countries are anxious to proceed with further negotiations for the reduction of tariffs. But no group of countries is willing to go ahead with any significant tariff action unless the United States can participate in the necessary negotiations. Until we adopt the President's proposal for cooperation in this field, we are not in a position to participate.

There are other practical reasons why we should favor the promotion of a high level of world trade as widely as possible on a multilateral basis. About 85 percent of our imports are raw materials mainly from underdeveloped countries. There is also the special problem of Japan, which must be taken back into the Western society of trading nations on a fair basis so that she can again earn her living without unusual subsidies. To accomplish this, there must be a concerted effort in the free world to make room for perhaps an additional 500 or 600 million dollars' worth of annual Japanese exports during the next few years.

Need for Action Now

I have just one other point to make.

Never has the time been more ripe for action in this field than this present moment.

Partly as a result of our own efforts and assistance, partly as a result of the energy and determination of the other countries themselves, many nations of the free world have largely recovered from the effects of the war. Their currencies are more stable, their production is once again forging ahead beyond the prewar levels, their gold and dollar reserves are rising. The rationings and restrictions of wartime are being discarded one after another. There has been an increased swing toward economic freedom in many countries, particularly in the last 2 years. And

many nations in Europe and in the British Commonwealth are beginning to talk seriously about convertibility and return to the healthy trade conditions which we all desire.

But I think it is now clear that the final steps will not be taken by many countries until they feel sure that we, too, will continue to move in the desired direction.

President's Views

It is encouraging to know that President Eisenhower is keenly aware of this situation and of the need for maintaining the present momentum toward freedom. In his letter to Mr. Harry Bullis of General Mills some weeks ago,³ the President wrote: "The prudent widening and deepening of the channels of trade and investment by us will not only produce good results in themselves, but will encourage similar action by our friends abroad. That is the route to better markets and better feeling."

And the President added: "It is my present intention to give high priority to progress in this whole field in planning for next year's legislative program."

New developments and new needs are coming to the fore in large areas of the world. The free nations stand at the point of transition from emergency to long-term policies. What form these policies take will depend to a very large extent upon *our* national decisions in the months ahead.

We cannot afford to miss this opportunity to take action in behalf of the economic welfare of our own people and the security of ourselves and our friends the world over.

It is of the utmost importance, therefore, that the American people support President Eisenhower in his efforts to move as rapidly as possible toward a forward-looking foreign economic policy. In this effort I think the business community has a special responsibility. Perhaps more than anyone else in our country, our leaders of commerce and finance, of industry and agriculture, can see clearly what we have to gain if we succeed and what we risk losing if we fail.

With the peace and prosperity of our land so clearly at stake, I am confident we shall succeed.

³ *Ibid.*, Sept. 13, 1954, p. 371.

Admission of Polish Seamen to U.S.

Press release 604 dated October 22

Acting Secretary Hoover and Attorney General Herbert Brownell, Jr., on October 22 agreed that it would be in the national interest to admit to the United States 22 Polish seamen who defected from communism while their ships were in Formosa. The grant of entry was under the section of the Immigration and Nationality Act which gives the Attorney General discretionary power to admit aliens who would otherwise be inadmissible, when there is a showing the entry would be in the national interest.

Instructions relative to admission of the seamen to the United States have already been sent to Formosa by the Department of State.

Petty Offenses Under Immigration Laws

Press release 593 dated October 20

A single petty offense against the law is no longer a bar to granting an alien a visa to enter the United States.

Visa applications are now being considered by the Department of State under provisions of a new regulation permitting issuance of a visa to an alien notwithstanding his conviction of a single offense which under American legal standards would be a misdemeanor, rather than a felony, and a conviction for which the penalty actually imposed was imprisonment not to exceed 6 months, or a fine of not more than \$500, or both.¹

Scott McLeod, Administrator, Bureau of Inspection, Security, and Consular Affairs, said the regulation reflects the legislative intent of the 83d Congress that section 4 of Public Law 770 (the Immigration and Nationality Act), which it implements, be administered in accordance with American legal standards.

Heretofore, single convictions for rationing violations and other minor offenses had been a bar to visa issuance to aliens and had in many instances brought about introduction of private bills in the Congress for waiving of the single minor offense restriction in individual cases.

¹ For text of the regulation, dated Oct. 14, see 19 *Fed. Reg.* 6785.

Case of Joseph S. Petersen

Press release 595 dated October 19

Joseph Sidney Petersen, Jr., an American citizen, has been charged with obtaining classified defense information which could be used to the advantage of a foreign power in violation of the laws of the United States. The foreign government involved has now been publicly identified as the Netherlands Government. The U.S. Government has taken this matter up with the Netherlands Government and has received that Government's assurances that it had believed that the transmission of this information was in accordance with an authorized arrangement between the two Governments. The Department has no reason to question the good faith of the Netherlands Government which has been amply demonstrated by that Government's complete cooperation during the investigatory period.

For its own part, however, the U.S. Government must affirm that the activities of the American citizen involved in this case were completely unauthorized by his Government and were carried out under his own personal responsibility, without the knowledge of his superiors and in violation of the laws of the United States.

Reorganization of German Coal and Iron and Steel Industries¹

The following Law No. 76 issued by the Allied High Commission for Germany, which amends Law No. 27 (Reorganization of German Coal and Iron and Steel Industries), is deemed to be of interest to certain United States citizens as having legal effect upon them or their property.

LAW NO. 76—AMENDING LAW NO. 27² (REORGANIZATION OF GERMAN COAL AND IRON AND STEEL INDUSTRIES)

The Council of the Allied High Commission enacts as follows:

ARTICLE 1

Paragraph 1 of Article 4 of Law No. 27 is hereby amended to read as follows:

"1. The Steel Trustee Association established under United States Military Government Law No. 75 and United Kingdom Military Government Law No. 75 and Regulation No. 2 issued thereunder shall continue to

¹ 19 Fed. Reg. 6611.

² 15 Fed. Reg. 8591.

exist and shall exercise the functions conferred on it by the present Law or by regulations or orders made hereunder. The Allied High Commission may remove any member of the Steel Trustee Association and appoint other members of such Association."

ARTICLE 2

Sub-paragraph (c) of paragraph 1 of Article 7 of Law No. 27 is hereby amended to read as follows:

"(c) Any other action taken in connection with reorganizations or liquidations under this Law to the extent provided by regulations or orders hereunder."

ARTICLE 3

Article 11 of Law No. 27 is hereby amended to read as follows:

"ARTICLE 11

REGULATIONS AND ORDERS

The Allied High Commission may issue such regulations and orders for the purpose of implementing any provision of this law as it shall deem necessary or proper in order to carry fully into effect the purposes of this Law."

ARTICLE 4

Article 13 of Law No. 27 is hereby amended to read as follows:

"ARTICLE 13

BOARD OF REVIEW

1. There is hereby established a Board of Review. The number, nationality, and method of appointment of members of the Board shall be determined by the Council of the Allied High Commission. Each member shall be a qualified lawyer or expert who shall not be otherwise concerned with the administration of this Law. The decision of a majority of the members of the Board shall constitute the decision of the Board. In the absence of a majority, the order which is the subject of review shall be deemed to have been confirmed.

2. The Board shall have jurisdiction to review any order issued under paragraph (c) of Article 5 of this Law on the petition of any interested person to the sole extent of determining whether the distribution made to such person has afforded him fair and equitable treatment within the provisions of the Law and of the regulations issued thereunder.

3. A petition for review of an order issued before May 15, 1952 shall be filed before November 15, 1952. A petition for review of any order issued on or after May 15, 1952, shall be filed within six months of the date of issue.

4. The petition shall be filed with the Board or with the authority which issued the order the review of which is sought.

5. In considering a petition for review the Board shall determine solely whether the order the review of which is sought is supported by substantial evidence and is correct as a matter of law. The filing and pendency of a petition shall not operate as a stay of the order except and to the extent that a stay may be directed by the Board upon a motion for such relief.

6. The Board shall establish its rules of procedure. It may take evidence of any kind and summon witnesses and experts in accordance with the provisions of the German Code of Civil Procedure. It may demand security for costs from a petitioner, but if the petition is granted in full, the security shall be refunded and no costs shall be levied against the petitioner. If the petition is not granted in full, the costs shall be assessed by the Board

on the principles laid down in the *Kostenordnung* of November 25, 1935 (*Reichsgesetzblatt* I, page 1371)."

Done at Bonn, Petersberg, on April 30, 1952.

On behalf of the Council of the Allied High Commission.

IVONE KIRKPATRICK,
United Kingdom High Commissioner for Germany, Chairman.

For the Secretary of State:

GEOFFREY W. LEWIS,
Deputy Director, Office of German Affairs, Bureau of European Affairs.

OCTOBER 7, 1954.

World Bank Loan to El Salvador for Coastal Highway

On October 12 the International Bank for Reconstruction and Development made a loan of \$11,100,000 to El Salvador to pay the foreign-exchange costs of completing an all-weather highway along the Pacific Coast. The highway will be 190 miles long and will extend from the Guatemalan border to the Port of La Union on the Gulf of Fonseca.

The Philadelphia National Bank is participating in the loan, without the International Bank's guaranty, to the extent of \$250,000 of the first maturity falling due on April 15, 1959.

The primary purpose of the highway is to open new areas to cultivation and make possible increased agricultural production. El Salvador has a good highway system but lacks all-weather roads in the coastal zone. This region contains the only sizeable expanse of fertile land remaining to be developed in El Salvador. The coastal highway will provide an artery, connecting with existing roads, through the entire region and will be an important step toward opening the country's last major land reserve to cultivation and settlement. Eventually the highway may also become an important international highway linking El Salvador with Guatemala and Honduras.

Construction of the coastal highway was started several years ago. At present 25 miles are open to traffic, and another 17 miles are being constructed and financed by the Government without outside assistance. The bank's loan will finance the foreign-exchange costs of the remaining sections totaling 148 miles. These sections are expected to cost the equivalent of \$16 million and to take 4 years to complete.

Construction will be done by contractors chosen through international competitive bidding for unit-price contracts based on detailed specifications of each section to be built. The Government is taking steps to retain an experienced firm of consulting engineers to prepare the detailed plans and specifications for the project and invitations to bid, to analyze and make recommendations on bids, and to supervise construction. Apart from some minor items, construction equipment and materials will be supplied by the contractors. The proceeds of the loan, therefore, will be used mainly to cover the foreign-exchange portion of payments to contractors. The Government will provide the required local currency from budgetary appropriations. The Highway Department of El Salvador will maintain the new highway and will expand its maintenance facilities for this purpose.

Because of inadequate roads in the coastal zone, transport costs are high throughout most of the area, access to markets is difficult, and farmers receive low prices for their produce. Considerable waste is caused by the slow haulage of crops, the movement of livestock on the hoof, and the stoppage of transport during the rainy season. As a result, operators of large farms concentrate on producing a few cash crops of sufficient value to support high transport costs, and small farm owners find it difficult to do more than subsistence farming.

The new highway, with feeder roads to be built by the Government, should alleviate this situation. With good roads, providing year-round access to wider markets at lower transport costs, agricultural production in the coastal zone should increase in value by the equivalent of about \$10 million a year. In addition, denser settlement of the zone will help relieve population pressure elsewhere in El Salvador. Roads alone will not bring about these results, but the Government is also planning to continue its efforts to improve health conditions in the coastal plains, to promote soil conservation and better production methods through agricultural extension services, and to facilitate the establishment of more adequate processing, storage, and credit facilities.

This is the second bank loan to El Salvador. A loan of \$12,545,000 was made in December 1949 for the construction of a 30,000-kilowatt hydroelectric plant on the Lempa River, which began operating in June 1954. Most of the electricity

from the new plant is being distributed in San Salvador, the capital, and in San Miguel, a key industrial center.

After having been approved by the Executive Directors, the loan documents were signed on October 12 by Hector David Castro, Ambassador for El Salvador at Washington, and Rafael Meza Ayau, Minister of Economy of El Salvador, on behalf of the Government of El Salvador, and by Eugene R. Black, President, on behalf of the International Bank.

Import Fees Imposed on Almonds and Filberts

White House Office press release dated October 11

The President on October 11 issued a proclamation imposing a fee of 10 cents a pound on imports of almonds into the United States over 5 million pounds, and a fee of 10 cents a pound on imports of filberts into the United States over 6 million pounds, during the period October 1, 1954, to September 30, 1955, inclusive.

The President's action modified the recommendations of the Tariff Commission. In its report¹ the Commission recommended a 10 cents per pound fee on imports of almonds above 4½ million pounds and a 10 cents per pound fee on imports of filberts above 5½ million pounds.

During the quota year just ended there was a 5 cents per pound fee on the first 7 million pounds of almonds imported into this country, which is now revoked, and a 10 cents per pound fee on imports in excess of 7 million pounds. There was no quota or fee on imports of filberts during the past year. During the previous year, however, there was an absolute quota on imports of filberts of 4½ million pounds.

The President's action was based on the recent unanimous report on edible tree nuts by the United States Tariff Commission. The Commission's investigation was made under section 22 of the Agricultural Adjustment Act, as amended, which authorizes limitations on imports when imports are interfering with or threaten to interfere with domestic price-support or marketing programs.

The Tariff Commission's report resulted from its fifth continuing investigation into the effect of

imports on the domestic marketing program for edible tree nuts.

The proclamation applies to shelled almonds and blanched, roasted, or otherwise prepared or preserved almonds (not including almond paste) and to shelled filberts, whether or not blanched.

The Tariff Commission did not report or make recommendations with respect to walnuts. The Commission stated that it was making no finding at this time on walnuts because further investigation was needed.

Text of Proclamation 3073²

1. WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as added by section 31 of the Act of August 24, 1935, 49 Stat. 773, reenacted by section 1 of the Act of June 3, 1937, 50 Stat. 246, and amended by section 3 of the Act of July 3, 1948, 62 Stat. 1248, section 3 of the Act of June 28, 1950, 64 Stat. 261, and section 8 (b) of the Act of June 16, 1951, 65 Stat. 72 (7 U. S. C. 624), on April 13, 1950 the President caused the United States Tariff Commission to make an investigation to determine whether almonds, filberts, walnuts, Brazil nuts, or cashews are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, certain programs undertaken by the Department of Agriculture with respect to almonds, pecans, filberts, or walnuts, or to reduce substantially the amount of any product processed in the United States from almonds, pecans, filberts, or walnuts with respect to which any such program is being undertaken; and

2. WHEREAS the said Commission instituted such an investigation on April 13, 1950, which it has been conducting since that date on a continuing basis and in the course of which it has from time to time reported to the President regarding the need for the imposition of restrictions pursuant to the said section 22 in order to prevent imports of almonds, filberts, walnuts, Brazil nuts, or cashews from rendering ineffective, or materially interfering with, the said programs, or from reducing substantially the amount of any product processed in the United States from almonds, pecans, filberts, or walnuts with respect to which any such program is being undertaken; and

3. WHEREAS import fees on shelled almonds and blanched, roasted, or otherwise prepared or preserved almonds (not including almond paste) imposed pursuant to the President's proclamation of September 29, 1953 (Proclamation 3034; 18 F. R. 6345),³ which proclamation was issued under the authority of the said section 22, will cease to apply to such articles entered, or withdrawn from warehouse, for consumption after September 30, 1954; and

4. WHEREAS further in the course of the said investigation, on September 24, 1954, the said Commission reported

¹ Copies of the report may be obtained from the U.S. Tariff Commission, Washington 25, D. C.

² 19 Fed. Reg. 6623.

³ BULLETIN of Nov. 2, 1953, p. 602.

to me its findings regarding the need for import restrictions under the said section 22 on certain tree nuts after September 30, 1954; and

5. WHEREAS, on the basis of such report of September 24, 1954, I find that shelled almonds, and blanched, roasted, or otherwise prepared or preserved almonds (not including almond paste), and shelled filberts, whether or not blanched, are practically certain to be imported into the United States during the period October 1, 1954, to September 30, 1955, both dates inclusive, under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the programs undertaken by the Department of Agriculture under the Agricultural Marketing Agreement Act of 1937, as amended, with respect to almonds and filberts, which programs will be in operation during such period; and

6. WHEREAS I find and declare that the imposition of the import fees hereinafter proclaimed is shown by such investigation of the Commission to be necessary in order that the entry of almonds and filberts described in the fifth recital of this proclamation will not render or tend to render ineffective, or materially interfere with, the said programs undertaken by the Department of Agriculture:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by the said section 22 of the Agricultural Adjustment Act, as amended, do hereby proclaim that a fee of 10 cents per pound, but not more than 50 per centum ad valorem, shall be imposed upon shelled almonds and blanched, roasted, or otherwise prepared or preserved almonds (not including almond paste) entered, or withdrawn from warehouse, for consumption during the period October 1, 1954, to September 30, 1955, both dates inclusive, in excess of an aggregate quantity of 5,000,000 pounds; and that a fee of 10 cents per pound, but not more than 50 per centum ad valorem, shall be imposed upon shelled filberts, whether or not blanched, entered, or withdrawn from warehouse, for consumption during the period October 1, 1954, to September 30, 1955, both dates inclusive, in excess of an aggregate quantity of 6,000,000 pounds. The said fees shall be in addition to any other duties imposed on the importation of such almonds and filberts.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this eleventh day of October in the year of our Lord nineteen hundred and fifty-four, and of the Independence of the United States of America the one hundred and seventy-ninth.



By the President:

HERBERT HOOVER, JR.,

Acting Secretary of State.

Limitations on Imports of Oats Into United States

White House press release dated October 4

The President on October 4 signed a proclamation limiting imports of oats into the United States from all sources to 40 million bushels during the period October 1, 1954, to September 30, 1955, inclusive.

The President's action was based on the recent unanimous report on oats by the United States Tariff Commission.¹ The Commission's investigation was made under section 22 of the Agricultural Adjustment Act, as amended, which authorized limitation on imports when imports are interfering with or threaten to interfere with domestic price-support or marketing programs. The allocation between Canada and all other foreign countries set forth in the proclamation is based upon total imports during five marketing seasons, 1948-49 to 1952-53. The proclamation applies to oats, hulled and unhulled, and unhulled ground oats.

The Tariff Commission's report resulted from its second investigation into the effect of imports of oats on the domestic price-support program for oats. This second investigation was directed by the President on August 20, 1954.² The Tariff Commission's first investigation and report resulted in a proclamation on December 27, 1953,³ limiting imports of oats into the United States from sources other than Canada to 21½ million bushels during the period December 23, 1953, to September 30, 1954. From December 10, 1953, to September 30, 1954, Canada voluntarily limited shipments of oats to the United States to 23 million bushels.

Text of Proclamation 3070⁴

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935, 49 Stat. 773, reenacted by section 1 of the act of June 3, 1937, 50 Stat. 246, and as amended by section 3 of the act of July 3, 1948, 62 Stat. 1248, section 3 of the act of June 28, 1950, 64 Stat. 261, and section 8 (b) of the act of June 16, 1951, 65 Stat. 72 (7 U. S. C. 624), the Secretary of Agriculture has advised me that

¹ Copies of the report may be obtained from the U.S. Tariff Commission, Washington 25, D. C.

² BULLETIN of Sept. 6, 1954, p. 340.

³ *Ibid.*, Jan. 11, 1954, p. 57.

⁴ 19 Fed. Reg. 6471.

he has reason to believe that oats, hulled or unhulled, and unhulled ground oats are practically certain to be imported into the United States after September 30, 1954, under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the price-support program undertaken by the Department of Agriculture with respect to oats pursuant to section 301 and 401 of the Agricultural Act of 1949, as amended, or to reduce substantially the amount of products processed in the United States from domestic oats with respect to which such program of the Department of Agriculture is being undertaken; and

WHEREAS, on August 20, 1954, I caused the United States Tariff Commission to make an investigation under the said section 22 with respect to this matter; and

WHEREAS, the said Tariff Commission has made such investigation and has reported to me its findings and recommendations made in connection therewith; and

WHEREAS, on the basis of the said investigation and report of the Tariff Commission, I find that oats, hulled and unhulled, and unhulled ground oats, in the aggregate, are practically certain to be imported into the United States during the period from October 1, 1954, to September 30, 1955, inclusive, under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the said price-support program with respect to oats; and

WHEREAS, I find and declare that the imposition of the quantitative limitations hereinafter proclaimed is shown by such investigation of the Tariff Commission to be necessary in order that the entry, or withdrawal from warehouse, for consumption of oats, hulled and unhulled, and unhulled ground oats will not render or tend to render ineffective, or materially interfere with, the said price-support program:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by the said section 22 of the Agricultural Adjustment Act, as amended, do hereby proclaim that the total aggregate quantity of oats, hulled and unhulled, and unhulled ground oats entered, or withdrawn from warehouse, for consumption during the period from October 1, 1954, to September 30, 1955, inclusive, shall not be permitted to exceed 40,000,000 bushels of 32 pounds each, which permissible total quantity I find and declare to be proportionately not less than 50 per centum of the total average aggregate annual quantity of such oats entered, or withdrawn from warehouse, for consumption during the representative period from July 1, 1948, to June 30, 1953, inclusive; and that, of the foregoing permissible total quantity, not more than 39,312,000 bushels of 32 pounds each shall be imported from Canada and not more than 688,000 bushels of 32 pounds each shall be imported from other foreign countries.

The provisions of this proclamation shall not apply to certified or registered seed oats for use for seeding and crop-improvement purposes, in bags tagged and sealed by an officially recognized seed-certifying agency of the country of production: *Provided*, (a) that the individual shipment amounts to 100 bushels (of 32 pounds each) or less, or (b) that the individual shipment

amounts to more than 100 bushels (of 32 pounds each) and the written approval of the Secretary of Agriculture or his designated representative is presented at the time of entry, or bond is furnished in a form prescribed by the Commissioner of Customs in an amount equal to the value of the merchandise as set forth in the entry, plus the estimated duty as determined at the time of entry, conditioned upon the production of such written approval within 6 months from the date of entry.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this 4th day of October in the year of our Lord nineteen hundred [SEAL] and fifty-four, and of the Independence of the United States of America the one hundred and seventy-ninth.



By the President:

JOHN FOSTER DULLES
Secretary of State.

Four Engineers Go to Thailand To Plan Highway Project

The Foreign Operations Administration announced on October 11 that four highway engineers have left for Bangkok, Thailand, to begin an engineering reconnaissance for a modern highway to link Bangkok and the isolated northeast provinces. The Governments of the United States and Thailand are preparing to start construction before the end of 1954.

Called the "Northeast Highway," the road will cost an estimated \$7.5 million and is scheduled for completion in about a year. It will run from Saraburi, near Bangkok, to Ban Phai, 200 miles northeastward in the heart of the northeast plateau, passing through Korat, the northeast's principal city.

The road is seen as a key to the economic development of the potentially rich northeast region. It will strengthen the economic and social ties of the northeast with the Bangkok area, bringing about more export of produce from the northeast and enabling that area to import other needed goods to improve the standard of living of the people.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of Meetings¹

Adjourned during October 1954

UNESCO 2d International Seminar on the Role of Museums in Education.	Athens	Sept. 12-Oct. 10
FAO Council: 20th Session	Rome	Sept. 27-Oct. 8
Nine Power Meeting	London	Sept. 28-Oct. 3
International Congress of Chronometry	Paris	Oct. 1-5
International Philatelic and Postal Exhibition	New Delhi	Oct. 1-5
Consultative Committee for Economic Development in South and Southeast Asia ("Colombo Plan"): Ministerial Meeting.	Ottawa	Oct. 4-9
FAO Working Party on Fertilizers: 4th Meeting	Tokyo	Oct. 4-10
FAO Working Party on Rice Breeding: 5th Meeting	Tokyo	Oct. 4-10
PASO Executive Committee: 23d Meeting	Santiago	Oct. 4-6
International Council for Exploration of the Sea: 42d Annual Meeting.	Paris	Oct. 4-12
UNESCO Seminar for Leaders of Youth Movements	Habana	Oct. 5-26
10th General Conference on Weights and Measures	Paris	Oct. 5-14
Caribbean Commission and UNESCO: Joint Technical Conference on Education and Small-Scale Farming in Relation to Community Development.	Port-of-Spain	Oct. 6-15
2d International Meeting of Communications	Genoa	Oct. 6-12
U. N. ECAFE Subcommittee on Electric Power: 4th Session	Tokyo	Oct. 6-11
PASO 14th Pan American Sanitary Conference and 6th Meeting of the Regional Committee of WHO.	Santiago	Oct. 8-22
General Assembly of the International Commission of Criminal Police: 23d Session.	Rome	Oct. 9-14
FAO International Rice Commission: 4th Session	Tokyo	Oct. 11-19
ILO Iron and Steel Committee: 5th Session	Geneva	Oct. 11-23
U. N. ECE Committee for Development of Trade: 3d Session	Geneva	Oct. 11-16
International Wheat Council: 16th Session	London	Oct. 12-17
Four Power Meeting	Paris	Oct. 20-23
Nine Power Meeting	Paris	Oct. 21-23
NAC Special Ministerial Meeting	Paris	Oct. 22-23
PASO Executive Committee: 24th Meeting	Santiago	Oct. 22-23
International North Pacific Fisheries Commission: 2d Meeting.	Vancouver	Oct. 25-30*
U.N. ECAFE Working Party on Financial Aspects of Economic Development Programs.	Bangkok	Oct. 25-30
GATT Ad Hoc Committee on Agenda and Intersessional Business.	Geneva	Oct. 26-27
UNESCO Executive Board	Rio de Janeiro	Oct. 31 (1 day)

In Session as of October 31, 1954

U.N. General Assembly: 9th Regular Session	New York	Sept. 21-
ICAO Air Transport Committee: 23d Session.	Montreal	Sept. 27-
ICAO North Atlantic Regional Air Navigation Meeting: 3d Session	Montreal	Oct. 5-
WMO Ad Hoc Meeting on North Atlantic Meteorological Telecommunications.	Montreal	Oct. 5-
ICAO Southeast Asia Regional Communications Coordinating Meeting.	Bangkok	Oct. 18-
ILO Metal Trades Committee: 5th Session	Geneva	Oct. 25-
General Agreement on Tariffs and Trade: 9th Session of Contracting Parties.	Geneva	Oct. 28-
Bogotá International Exposition	Bogotá	Oct. 29-

Scheduled November 1, 1954-January 31, 1955

UNESCO Budget Committee	Montevideo	Nov. 1-
UNESCO Executive Board	Montevideo	Nov. 1-
U.N. ECAFE Working Party of Senior Geologists on Preparation of a Regional Geological Map for Asia and the Far East.	Bangkok	Nov. 1-

¹ Prepared in the Office of International Conferences, Oct. 21, 1954. Asterisks indicate tentative dates. Following is a list of abbreviations: UNESCO, United Nations Educational, Scientific and Cultural Organization; FAO, Food and Agriculture Organization; PASO, Pan American Sanitary Organization; U. N., United Nations; ECAFE, Economic Commission for Asia and the Far East; WHO, World Health Organization; ILO, International Labor Organization; ECE, Economic Commission for Europe; NAC, North Atlantic Council; GATT, General Agreement on Tariffs and Trade; ICAO, International Civil Aviation Organization; WMO, World Meteorological Organization; ICEM, Intergovernmental Committee for European Migration; Ecosoc, Economic and Social Council.

Calendar of Meetings—Continued

Scheduled November 1, 1954–January 31, 1955—Continued

FAO European Forestry Commission: Working Party on Afforestation.	Geneva	Nov. 5–
1st World Conference of Printing Enterprises	São Paulo	Nov. 6–
14th International Congress of Military Medicine and Pharmacy. .	Luxembourg.	Nov. 7–
International Philatelic Exposition.	São Paulo.	Nov. 7–
FAO European Forestry Commission: 7th Session	Geneva	Nov. 8–
U.N. ECAFE Subcommittee on Mineral Resources (Committee on Industry and Trade): 1st Session.	Bangkok	Nov. 8–
FAO Meeting on Economic Aspects of the Rice Situation	Rangoon	Nov. 11–
UNESCO General Conference: 8th Session	Montevideo	Nov. 12–
3d Inter-American Accounting Conference	São Paulo	Nov. 14–
Customs Cooperation Council.	Brussels	Nov. 15–
ICAO Special European-Mediterranean Communications Meeting .	Paris	Nov. 16–
ILO Governing Body: 127th Session	Rome	Nov. 16–
Meeting of Ministers of Finance or Economy (4th Extraordinary Meeting of Inter-American Economic and Social Council).	Rio de Janeiro	Nov. 22–
ICEM <i>Ad Hoc</i> Subcommittee on Draft Rules and Regulations	Geneva	Nov. 22–
International Sugar Council: Statistical Committee	London	Nov. 22–
ILO 8th International Conference of Labor Statisticians	Geneva	Nov. 23–
International Sugar Council: Executive Committee	London	Nov. 23–
International Sugar Council: 2d Session	London	Nov. 24–
ICEM Subcommittee on Finance: 6th Session	Geneva	Nov. 25–
Caribbean Commission: 19th Meeting	Cayenne (French Guiana) .	Nov. 29–
ICEM 8th Session of the Intergovernmental Committee	Geneva	Nov. 30–
NAC Ministerial Meeting	Paris	November*
FAO 4th World Forestry Congress	Dehra Dun (India)	Dec. 11–
Inter-American Seminar on Secondary Education	Santiago	Dec. 29–
U. N. Ecosoc 18th Session of Council (resumed)	New York	December
10th Pan American Child Congress	Panama City	Jan. 10–
U. N. ECAFE Subcommittee on Trade: 1st Session	Hong Kong	Jan. 10–
WHO Standing Committee on Administration and Finance	Geneva	Jan. 10–
Pan American Highway Congress: Permanent Executive Committee Meeting.	Mexico	Jan. 13–
U. N. Ecosoc Commission on International Commodity Trade: 1st Session.	New York	Jan. 17–
WHO Executive Board: 15th Meeting	Geneva	Jan. 18–
U.N. ECAFE Inland Transport Committee: 4th Session	Bangkok	Jan. 24–

Disarmament Talks in U.N. Political Committee

*Statements by James J. Wadsworth
U.S. Representative to the General Assembly¹*

U.S. delegation press release 1981 dated October 19

The general debate on disarmament has gone on for over a week.² We think that the discussion has been extremely useful in clarifying a number of important matters. It has shown that the differences between the Soviet Union and the free world are almost as great as ever.

The two sides are in the position of two politi-

¹ Made in Committee I (Political and Security) on Oct. 19 and Oct. 22.

² For statements by Ambassador Lodge and Ambassador Wadsworth on Sept. 30 and Oct. 12, and the text of the Soviet proposal, see BULLETIN of Oct. 25, 1954, p. 619.

cal parties seeking to elect their slates in a given community. Both parties have put anticrime planks in their platforms. Both agree that we need policemen. But one party wants to let its policemen cover their whole beats and make arrests pursuant to law whenever they discover crime. The other party says, "Oh, no. The policeman can only stay on Main Street, and if he should observe a crime there, he can merely report the commission of the crime to the Municipal Council, which in due course will hold a meeting. The policeman cannot make the arrest."

It seems appropriate at this time to review the situation to see exactly where we stand. First, however, I should like to stress a point which has not been discussed very fully. The greater part of the discussion in this committee has been devoted to the Anglo-French memorandum of June 11³ and to the Soviet proposals of September 30.

³ *Ibid.*, Aug. 2, 1954, p. 182.

This is entirely fitting since the British-French memorandum is the instrument which had led to any narrowing of the gap between the Soviet Union and the free world that may have taken place. What I want to stress now is that, important as they are, neither the Anglo-French memorandum nor the Soviet proposal, nor the two combined, can be said to constitute a complete disarmament program.

Over a period of years agreement has been reached on just what are the chief elements of such a program. Last year these elements were set forth in the first preambular paragraph of the General Assembly resolution of November 28, a paragraph which received 54 affirmative votes and no negative votes.⁴ These elements were: *first*, the regulation, limitation, and balanced reduction of all armed forces and all armaments; *second*, the elimination and prohibition of atomic, hydrogen, and other types of weapons of mass destruction; *third*, the effective international control of atomic energy to ensure the prohibition of atomic weapons and the use of atomic energy for peaceful purposes only; and *fourth*, the carrying out of the whole program under effective international control and in such a way that no state should have cause to fear that its security was in danger.

During the discussions in the Disarmament Commission and in the subcommittee this summer, it became apparent that there was a *fifth* element of a disarmament program which was not completely covered by any of the four elements described in the General Assembly resolution: The fifth element was the relation of the other four elements, or, to put it in other words, the timing and phasing of the prohibitions and reductions and of the establishment of international controls.

The Anglo-French memorandum was written to deal with this fifth element. Since it covers the relationship of the other four elements, naturally it refers to them. The Anglo-French memorandum was, of course, never intended to be a complete disarmament program. For example, it does not contain any formula for determining the levels to which armed forces and atomic armaments would be reduced. It does not go into any detail as to the type of international control machinery which would be set up or as to the powers and functions of an international control organ. It does not

deal with numerous basic problems in connection with the prohibition of atomic weapons, such as the type of installations which must be controlled, or the nature of the control. These latter problems are treated fully in the United Nations atomic energy plan approved by previous General Assemblies. The Soviet Union does not agree with the solution suggested in the United Nations plan for the control of atomic energy. But we feel sure that the U.S.S.R. will agree that any solution of the problem of atomic weapons must cover the subjects that are dealt with in the United Nations atomic energy plan.

In short, the Anglo-French memorandum and the Soviet draft resolution, however different they may be, both deal with the same set of problems. They do not by themselves deal with all of the basic problems of a disarmament program. One of the flaws of the Soviet resolution, in our opinion, is the following sentence: "Accordingly the convention should contain the following basic provisions." We read this to imply that the Soviet Union regards its proposal as a disarmament plan rather than merely one of the elements of a disarmament plan.

Fundamental Differences

It may be useful at this time to point out just where we stand, in the thought that, if we know where we stand, it will be easier to plot our future course.

Three fundamental and basic differences have emerged between the Soviet Union and the other members of the Disarmament Commission subcommittee. The *first* of these relates to the reduction of armed forces and nonatomic armaments. The position of Canada, France, the United Kingdom, and the United States is that we should first agree upon levels to which armed forces and armaments will be reduced. The amounts of reductions would be the difference between these agreed levels and the levels of December 31, 1953. These reductions would take place in two stages: 50 percent of reductions in the first stage and 50 percent in the second stage. The Soviet proposal goes along with the idea that the reductions shall be made from the December 31, 1953, level and that the reduction shall take place in two stages: 50 percent in each stage. Mr. Vyshinsky, however, has made it clear that the Soviet Union still favors a "proportional" reduction. In other words, the Soviet Union still

⁴ *Ibid.*, Dec. 14, 1953, p. 838.

favors an overall reduction of one-third, or of some other fraction, applicable to all countries, the type of reduction which would perpetuate the present imbalance of armed forces and conventional armaments in favor of the Soviet Union. However, Mr. Vyshinsky says this is a matter to be decided by the international convention.

The *second* major divergence relates to the powers and authority of the international control machinery. Mr. Vyshinsky went back once again to the detailed Soviet proposals of June 1947 concerning an international control organ. The proposals, when originally made, were made to the Atomic Energy Commission and related only to the control of atomic energy. They were discussed fully and exhaustively in the United Nations Atomic Energy Commission in 1947 and 1948. At that time a committee of the Atomic Energy Commission, consisting of Canada, China, France, and the United Kingdom, prepared a working paper which concluded "that the Soviet Union proposals ignore the existing technical knowledge of the problem of atomic energy control, do not provide an adequate basis for the effective international control of atomic energy and the elimination from national armaments of atomic weapons, and therefore do not conform to the terms of reference of the Atomic Energy Commission." This working paper was included as annex IV of the Third Report of the Atomic Energy Commission, dated May 17, 1948, and was approved by the General Assembly at the time it adopted the United Nations atomic energy plan.

The Soviet proposals then dropped out of sight, until suddenly the Soviet representative revived them in the subcommittee discussion in London last spring. Why did they drop out of sight? You will recall that in 1952 Mr. Vyshinsky brought to the Sixth General Assembly some new proposals on international control which he glorified as a great concession to the West.⁵ He conceded at that time that the international control organ shall have the right to conduct inspection on a *continuing* basis but should not be entitled to interfere in the domestic affairs of states. Since this was in contrast to the Soviet's previous insistence on *periodic* inspection, we all hoped that a door had been opened to agreement on a fundamental principle. During the disarmament discussions in 1952

we strove without success to find out what the Soviet Union meant by "continuous inspection." Finally, in London last spring the Soviet representative tried to put life in the ghost of 1947, as his definition of "inspection on a continuing basis." He thus succeeded only in demonstrating that the "continuous inspection" of 1952 was identical to the "periodic inspection" of 1947. The great concession of 1952 turned out to be no concession at all.

Now, since September 30, the Soviet Union has talked about an international control organ with "full powers of supervision, including the power of inspection on a continuing basis to the extent necessary to ensure implementation of the convention by all states." At first glance this looked good since, in theory at least, it could encompass the powers which this Assembly has decided are essential.

On October 15 Mr. Vyshinsky continued to assert that the Soviet Union favors a control organ capable of "powerful" and "effective" control. Exactly what powers would this mighty and powerful organ have? On October 15, and again yesterday, Mr. Vyshinsky answered this question by again calling up the ghost of 1947 and reading to us these 1947 proposals.

Furthermore, he referred to the United States working paper on the control organ presented last summer by Mr. [Morehead] Patterson.⁶ He pointed out that the United States paper took the position that in cases of violations the control commission can close plants, and then he said:

... if some people are prepared to accept that, we are not to be counted among them. I must say that quite openly. We feel that to vest such functions in a control commission is impossible.

It is clear that on this all-important question of the powers of the international control organ there has been no change in the Soviet position. Once more, Mr. Vyshinsky continues to insist, just as he did in 1947, that the really important powers in connection with a disarmament program must be exercised by the Security Council, where all of the permanent members have a veto.

We fail to see why the U.S.S.R. objects to thorough and effective international control. If the U.S., the U.K., France, and all the rest of us are willing to subject ourselves to it, what has the Soviet to fear? Are we to assume that she has

⁵ *Ibid.*, Jan. 28, 1952, p. 127.

⁶ *Ibid.*, Aug. 2, 1954, p. 179.

something to hide—something she doesn't want the world to know? How can any disarmament plan work if, as I said last week, the steps of the plan cannot be carried out in full sight of each other?

The Soviet accuses the U.S. of preparing for another war; of aggression against Formosa and all kinds of other fantastic crimes and intentions. How best can we display to the world that we are completely honest in our statements and straightforward in our intentions? We think it is by opening wide our doors and inviting an international control body to come in freely and fully; to inspect our atomic installations, our munitions plants, and, yes, even our button factories. What is more, we are prepared to accept corrective action on the part of the control organ in the event a violation is found.

On the other hand, we in the United States suspect the Soviet Union of planning world conquest behind their facade of disarmament statements. Will *they* take the same steps to reassure the world that we are prepared to take? While Mr. Vyshinsky answered "No," he kept one ember burning. He suggested that this problem too should be worked out in the international convention.

Question of Timing and Phasing

The *third* fundamental difference between the Soviet position and that of the other states which participated in the London discussion relates to the timing and phasing of the most important elements of the disarmament program. Mr. [Selwyn] Lloyd got to the heart of this difference in the second question which he addressed to Mr. Vyshinsky last Friday. He asked: "Does the Soviet Government agree that the officials of the control organ should be in position, ready and able to function in the countries concerned, before those countries begin to carry out the disarmament program?" There is nothing that I can add to Mr. Lloyd's explanation of the fundamental significance and importance of this problem. If we interpret Mr. Vyshinsky's answer correctly, he didn't say "Yes" and he didn't say "No"; once again, he said: "This will be decided in the convention." Can we assume that the Soviet attitude will be any less rigid when we come to negotiate the convention? After all, they have never shown themselves willing to discuss in detail any of the concrete proposals brought forward to date.

But, in his very last intervention on October 15, Mr. Vyshinsky took pity on us and did answer Mr. Lloyd's question in a manner which, I fear, is all too clear. He referred to paragraph 5 of the Franco-British memorandum and noted that Mr. Lloyd had stated that we diverged on this point. Then Mr. Vyshinsky said, "That is correct; we do." Now what does the fifth paragraph of the Franco-British memorandum say? It says:

5. After the constitution and positioning of the Control Organ, which shall be carried out within a specified time, and as soon as the Control Organ reports that it is able effectively to enforce them, the following measures shall enter into effect.

So it is clear that, in substance, Mr. Vyshinsky's answer to Mr. Lloyd's second question is strongly in the negative.

There are other differences, but the three which I have just outlined are the most important. As a result of the discussions in this committee which, I repeat, have been extremely useful and which, in my view, have come better to grips with the problem than any previous United Nations discussions, where do we stand and where do we go? Let us admit again that on one important point the differences have been narrowed. The Soviet Union now admits that the disarmament program can take place in stages and that 50 percent of the reductions in armed forces and conventional armaments can take place before the prohibition of atomic weapons. Despite this concession, we are still some distance from the down-to-earth detailed negotiations that will be necessary to work out a disarmament convention. It would not be very profitable to start discussing the number of aircraft carriers, the number of bombers, the number of ground forces that each state will be permitted under a disarmament program until we have some agreement on how to work out those figures. Mr. Vyshinsky says that the Soviet Union has one view and that the other members of the subcommittee have a different view and that we will work this out in the convention.

Similarly, it would not be very profitable to work out the machinery, powers, and functions of an international control organ and then to find out that the control organ will never be in a position to exercise its powers. Here, again, Mr. Vyshinsky says: "This is a question of method. Let's leave it to the convention."

That is where we stand today. Now where

Resolution on Disarmament¹

U.N. doc. A/C.1/752/Rev. 2 dated October 22

The General Assembly,

Reaffirming the responsibility of the United Nations for seeking a solution of the disarmament problem,

Conscious that the continuing development of armaments increases the urgency of the need for such a solution,

Having considered the Fourth Report of the Disarmament Commission of 29 July 1954 (D.C/53 and D.C/55), and the documents annexed thereto, and the Soviet draft resolution (A/C.1/750) concerning the conclusion of an international convention (treaty) on the reduction of armaments and the prohibition of atomic, hydrogen, and other weapons of mass destruction,

1. *Concludes* that a further effort should be made to reach agreement on comprehensive and co-ordinated proposals to be embodied in a draft international disarmament convention providing for:

(a) The regulation, limitation and major reduction of all armed forces and all conventional armaments;

(b) The total prohibition of the use and manufacture of nuclear weapons and weapons of mass destruction of every type, together with the conversion of existing stocks of nuclear weapons for peaceful purposes;

(c) The establishment of effective international control, through a control organ with rights, powers and functions adequate to guarantee the effective observance of the agreed reductions of all armaments and armed forces and the prohibition of nuclear and other weapons of mass destruction, and to ensure the use of atomic energy for peaceful purposes only;

The whole programme to be such that no State would have cause to fear that its security was endangered;

2. *Requests* the Disarmament Commission to seek an acceptable solution of the disarmament problem, taking into account the various proposals referred to in the preamble of the present resolution and any other proposals within the Commission's terms of reference;

3. *Suggests* that the Disarmament Commission reconvene the Sub-Committee established in accordance with paragraphs 6 and 7 of General Assembly resolution 715 (VIII);

4. *Requests* the Disarmament Commission to report to the Security Council and to the General Assembly as soon as sufficient progress has been made.

¹ Approved unanimously by Committee I on Oct. 27.

should we go? What course of action should we follow in this committee?

On each of these fundamental problems there are divergent views. It would be theoretically possible for the Assembly to recommend that the Soviet Union should accept our view. We frankly doubt whether the General Assembly's approval of the Anglo-French memorandum or of the United States working paper on a control organ would advance by one day the achievement of an agreed disarmament program unless the General Assembly decision had the support of the Soviet Union. Yesterday the representative of Syria [Ahmad Shukairy] made this point most effectively.

We have had some success, even though it is much less than we had originally hoped on September 30, in narrowing the differences that separate us. It seems to us that there is no alternative course but to try again. The subcommittee of the Disarmament Commission seems to be the machinery best suited to promote genuine negotiation. It would be naive to suppose that progress in the Disarmament Commission and its subcommittee will be rapid. Certain Soviet moves here in the United Nations are not calculated to reduce international tensions. None of us can wave a magic wand which will produce immediate agreement. We are not counseling delay, nor do we welcome it; we are merely pointing out that progress comes as a result of serious thought and thorough preparation, all of which is time-consuming. We may have to grope along another series of blind alleys before we find another one which leads closer to agreement. But we know of no other course.

In the meantime, the United States believes that the Canadian resolution, which we are cosponsoring,⁷ affords the best hope of progress in the field of disarmament. The machinery provided in this resolution can move as fast as the Soviet Union will permit it to move. We are certainly anxious that it should move with the greatest possible speed consistent with the attainment of genuine agreement.

I should now like to address a brief remark to my good friend, Sir Percy Spender. I attach the greatest significance to his suggestions with respect to the further progress of our discussion of disarmament at this session. Nevertheless, I am sure

⁷ U. N. doc. A/C.1/752/Rev. 1.

that he will agree that our debate to this point has very closely outlined the points of agreement and disagreement between the views of the Soviet Union and those of the other members of the London subcommittee. I doubt if any further clarification can be obtained at this session. The type of problem which Mr. Vyshinsky desires to be solved by the convention will not be solved in 3 weeks or 6 weeks.

I fully agree with Sir Percy's view as to the vital contribution which can be made by what he has termed the "middle" and "small" powers. We have had ample evidence of this already, and I certainly hope that we shall have more before our present debate is over. The United States certainly does not believe that progress in this field can be made only by the so-called Great Powers.

That is one reason why we support the Canadian resolution, which calls upon the Disarmament Commission to pursue its work. That Commission, with its 12 members, certainly enables other powers to voice their views on a plane of complete equality with the Great Powers. Then, too, the results of its work will again be reviewed by the General Assembly. In brief, I hope that, when we shall have concluded our general debate in this committee, all members of this body will have had ample opportunity to contribute fully to this vital task.

The distinguished representative of Syria spent a considerable part of his challenging and able presentation yesterday in pointing out the seemingly irreconcilable attitudes of the U.S. and the U.S.S.R., in spite of the fact that we both apparently espouse the same general principles. I join with him in wondering whether "peace" means something in Russian that is wholly incompatible with what it means in English.

We are ready to demonstrate that the peace we want is worth real sacrifice; that it is a precious thing deserving of persistent and impartial protection; that it will flourish under proper safeguards in the broad light of day. We reaffirm our conviction that peace, as we mean it, cannot thrive on an exclusive diet of lip service; that it will suffer seriously from the drought of neglect; that it will wither and die in the dark dungeons of secrecy.

Yesterday Mr. Vyshinsky stated that he would much rather be offered advice than be asked questions. I directed no questions to him. However,

much as I hesitate to offer advice, he asked for it. I suggest that his Government accept the same international controls that the rest of us are willing to accept.

U.S. delegation press release 1990 dated October 22

The procedural agreement just announced by the distinguished representative of Canada [David M. Johnson], an agreement which now provides for the cosponsorship by all five members of the Disarmament Commission's subcommittee of the resolution originally tabled by Canada, very properly refers this question to that subcommittee. We join with our other cosponsors in welcoming this agreement, and we pledge the continued efforts of the United States to achieve fully safeguarded disarmament.

The subcommittee, Mr. Chairman, will be able to probe into the many technical aspects of disarmament. These technical aspects have been brought forth during our debate on this subject and have shown the divergencies which exist. But the deliberations of the subcommittee will test the extent to which good faith animates the Soviet Union in its present approach to disarmament matters. We await that test with interest.

The work we will undertake will call for constructive, unremitting effort from every subcommittee member and the United States will do its part.

Now, Mr. Chairman, in common with my colleague from Canada I wish to comment very briefly on the question posed to the former cosponsors by the distinguished delegate of India [V. K. Krishna Menon] the other day and of which we were reminded today by the distinguished delegate of India. Since this seems to be a day somewhat devoted to unanimity, I am very happy to tell him that the United States, having studied the questions and the answers of the distinguished representative of the United Kingdom, Mr. Lloyd, the United States finds itself in full accord with Mr. Lloyd's answers. There may be some aspects of clarification or even elaboration which the United States might wish to add to Mr. Lloyd's answers. However, these are of a highly technical nature and I do not propose to burden the committee with them today. If the distinguished delegate of India would be desirous of our doing so, we will be very happy to submit them to him in writing, but they will not in any sense affect the substance of the answers.

Progress in Highway Development for Latin America

SIXTH PAN AMERICAN HIGHWAY CONGRESS, CARACAS, JULY 11-23, 1954

Important impetus is expected to be given to the development of highways throughout Latin America as a result of the resolutions and recommendations of the Sixth Pan American Highway Congress, held at Caracas, Venezuela, from July 11 to July 23, 1954. It was a fully representative meeting, with 19 of the 21 American Republics sending official delegations. Outstanding among its accomplishments were the unanimous adoption of a permanent plan for the organization of future Congresses, with emphasis upon executive and technical committee work, and the institution of intensive studies for the financing and construction of the Pan American Highway System. Along with these were many other decisions which reflected the determination of governmental and private bodies to make headway rapidly and constructively on the problems of highway improvement and expansion.

The Caracas meeting, latest of a series which began at Buenos Aires in 1925, was pronounced by many participants as the most effective to date. It carried out successfully the formative planning begun at the Fifth Congress at Lima in 1951 and a special Congress at Mexico City in 1952,¹ and marked the coming to full maturity of this important hemispheric organization. In all of these activities, the United States has played a leading part.

The Seventh Congress will be held at Panamá City, R. P., in 1957.

United States Delegation

The members of the U.S. delegation were as follows:

Walter Williams, Under Secretary of Commerce, *Chairman*

¹ For an article on the special Congress, see *BULLETIN* of Jan. 19, 1953, p. 105.

Charles P. Nolan, Bureau of Inter-American Affairs, Department of State, *Vice Chairman*
J. Harry McGregor, Chairman, Subcommittee on Roads, House of Representatives
George H. Fallon, Member, Committee on Public Works, House of Representatives
Herbert Ashton, Bureau of Foreign Commerce, Department of Commerce
Sewell Marcus Gross, American Road Builders Association
Edwin W. James, American Society of Civil Engineers²

Henry H. Kelly, Office of Transport and Communications Policy, Department of State
Gale Moss, American Association of State Highway Officials
Francis C. Turner, Bureau of Public Roads, Department of Commerce
Norman B. Wood, Bureau of Public Roads, Department of Commerce
William L. Brewster, second secretary of the American Embassy at Caracas, acted as liaison officer.

Organization of the Congress

All working sessions were held in the library building of the University City, a large enclave of structures which eventually will house many thousands of students. The physical facilities of the building were excellent, with auditoriums and

² Special mention should properly be made of the participation of Mr. James, who has attended all of the Pan American Congresses except the first two as a U.S. delegation member. Mr. James was in charge of the cooperative work of the U.S. Bureau of Public Roads on the Inter-American Highway from 1929 until his retirement in 1953. During that period he made more than 60 inspection trips to various parts of the highway, in addition to engineering surveys in Venezuela, Colombia, Ecuador, Peru, Bolivia, Chile, Brazil, Cuba, Haiti, the Dominican Republic, Puerto Rico, and the Virgin Islands. To innumerable government officials, engineers, and economists throughout the Americas, he is known as "the father of the Inter-American Highway."

assembly rooms of ample dimensions and attractive architectural style.

On the morning of July 11, the chiefs of delegations met in a preliminary session with the Organizing Committee and principal officers of the secretariat and designated the Minister of Public Works of Venezuela, Dr. Julio Bacalao Lara, as president and Dr. Eduardo Arnal, Dean of the Faculty of Engineering, Central University of Venezuela, as secretary general of the Congress. Dr. Francisco J. Hernandez of the Pan American Union was permanent secretary, as at previous Congresses.

At the formal opening session the same afternoon, held in the Great Hall of University City, these designations were confirmed. In addition, the Presidents of the American Republics were made honorary presidents and the Ministers of Public Works honorary vice presidents. Five technical commissions were established, to cover the following subjects: international affairs, highway education, construction and maintenance, legislation and administration, and highway safety. A committee on coordination and style was also appointed.

Technical Papers and Reports

As is customary in a technical conference, large numbers of papers had been submitted by organizations or individuals for consideration. The Final Act of the Congress listed 159 such papers. Of these, 51 were the subject of resolutions; 59 were recommended to be published in full in the proceedings (including the following from the United States: "Economic Potentialities of the Pan American Highway," by Edwin W. James; "Soil Testing," by M. D. Morris; and "Repair Shops for the Care of Highway Equipment" and "Highway Planning in the United States," by the Bureau of Public Roads); and 49 were recommended to be summarized in the proceedings (including a paper by J. Stanley Williamson on "Highway Maintenance in Ecuador").

The most important reports presented were those of four special committees appointed by the Mexico City Congress in 1952 to prepare for the Caracas meeting. A so-called Interim Committee, which was in effect an executive committee, with its chairman representing Mexico and with officials from Argentina, Brazil, Peru, and the United States as its members, recommended a plan

of organization for the future Congresses and offered suggestions on the technical committee reports. The latter were submitted by committees on financing, chaired by Mexico; on planning and routing, chaired by Brazil; and on the organization of highway departments, chaired by Peru.

Work of the Commissions

Much of the work of the Congress was performed in the technical commissions, although this did not prevent many hours of discussion in the plenary sessions as well. Members of the U.S. delegation took an active part.

In Commission I, on international affairs, the principal topic was the permanent organization of the Congresses. After a brief discussion of a revised plan informally submitted by the permanent secretariat, the original "Plan of Organization of the Pan American Highway Congresses" as drawn up by a five-nation committee earlier this year was unanimously approved with only minor editorial changes. Other matters handled by this commission included the regional and worldwide treaties on international road traffic of 1943 and 1949, plans for financing the construction and improvement of the Pan American Highway System, and coordination of transport.

In Commission II, on highway education, papers were presented on three principal subjects—descriptions of national highway systems, histories of national highway development, and the preservation of archeological and historical monuments.

Commission III, dealing with plans, construction, and maintenance, was divided into six subcommissions: preliminary studies, earth movement, pavements, bridges, drainage, and maintenance. The principal work of the subcommissions was to consider and recommend disposition of some 25 technical papers submitted to the Congress.

Commission IV dealt with highway legislation, administration, economics, and finance. Representative McGregor served as vice chairman of this commission, of which the principal work was the consideration and discussion of the recommendations of the Technical Committee on Highway Administration (Lima Committee). Of special interest to the United States, and particularly to the Bureau of Public Roads, was a resolution which recommends that the several countries

establish priority of construction on the Pan American Highway as follows: first—opening and constructing impassable sections to all-weather standard; second—improving substandard sections to all-weather standard and constructing permanent structures; third—paving. This resolution coincides with the policy of the Bureau of Public Roads to establish just such priority of construction on the Inter-American Highway program throughout Central America and Panama.

Commission V, on highway operation and safety, considered a number of papers on highway traffic standards, signs, and nomenclature. Among other actions it requested the executive committee to undertake studies which would fix the basis for greater uniformity in the designation and identification of highway routes throughout the various American countries.

Resolutions

In four plenary sessions, spaced at intervals during the Congress and ending on July 20, definitive action was taken on the many proposals considered by the Congress. The Final Act was signed at a brief closing ceremony on the morning of July 23.

The total number of resolutions adopted was 53. Notable among them were the following:

Resolution I: Recommendation of a permanent "Plan of Organization of the Pan American Highway Congresses," which sets forth among other matters the objectives of the organization—chief of which is to facilitate and promote the development of highways in the American continent; establishes relations with the Organization of American States; provides that the Congresses will be held every 3 years, with five classes of participants—official delegates appointed by Governments of the American States, certain committee members, the representative of the Organization of American States, special observers representing international organizations, and other observers; creates a permanent Executive Committee and four technical committees of experts to cover the fields of governmental highway departments, planning and routing of highways, financing, and terminology; and calls for a permanent secretariat, to be provided by the Pan American Union.

In a separate action, the Congress designated the following countries to hold the chairmanships

of these committees: executive, Mexico; highway departments, Peru; planning and routing, Brazil; financing, Venezuela; terminology, Argentina. The United States will have membership on all except the committee on planning and routing. The Executive Committee will be the chief motivating force for the next Congress, since responsibility for carrying out the recommendations of the Caracas meeting will largely devolve upon it. Its members are Mexico (chairman), Argentina, Brazil, United States, Panama, Peru, and Venezuela. Its first meeting will be held at Mexico City, January 13–17, 1955.

An interesting feature of this new organization plan, which won unanimous approval at Caracas, is that it involves no financial commitments for the member countries other than the expenses of the host countries for the periodic Congresses or for committee meetings. Operation of the plan will be watched with great interest, for if it proves successful, its simplicity, economy and concentration upon effective committee work may well commend it as a prototype for similar international technical organizations. The Caracas resolution was framed in the form of a recommendation to the Council of the Organization of American States, but its approval by that body and its consequent entry into force for all future Congresses are expected.

Resolution II: Organization of a technical study, with the authorization and collaboration of Panama and Colombia, of a practicable route for the Pan American Highway through the Isthmus of Darien. All of the American countries interested in this project are invited to lend their assistance, and the permanent Executive Committee is placed in general charge. The Darien Peninsula, still largely unexplored, presents one of the most difficult gaps in the Pan American Highway, with about 170 miles of undeveloped and unknown territory between the present highway connections in Panama and Colombia. The Caracas resolution marks the start of a vigorous attack upon this problem. The United States is expected to offer technical assistance, particularly as regards aerial surveys, with no commitment as to financial assistance.

Resolution III: Preparation of a plan, by the Financing Committee and the Executive Committee, for the financing of the entire Pan Ameri-

can Highway System "on the basis of continental cooperation, both governmental and private."

Resolution IV: Preparation of a formula, by the Executive Committee in cooperation with the International Bank for Reconstruction and Development, to assist individual countries to obtain funds for highway development.

Resolution V: An expression of thanks to the U.S. Government for its help in the construction of the Inter-American Highway (Guatemala to Panama).

Resolution X: Suggestion that the American countries adopt uniform symbols for highway maps and that the United Nations be urged to continue its efforts to establish worldwide uniformity in road signs and signals.

Resolution XIII: Recommendation that the Executive Committee study the possible uniformity of highway specifications and design standards which would conform to the limitations on vehicle dimensions and weights as set forth in international conventions. (The U.S. delegation understands this to have particular reference to the vehicle size and weight limitations embodied in annex 7 to the Convention on Road Traffic of 1949.³)

Resolution XVI: Interchange of information among the countries of the Gulf of Mexico and Caribbean Sea area and convening of a conference by the Executive Committee to establish a "tourist circuit" embracing the southern United States, Cuba, Yucatan, and central Mexico.

Resolution XVIII: Compliments to the United Nations Economic Commission for Latin America for its study on transportation in Central America, with a recommendation that it produce a similar study for South America.

Resolution XIX: Recommendation that government agencies, automobile associations, and organizations of commerce, industry, and production support the formation of bodies representative of commercial highway transport in all its phases.

Resolution XX: Recommendation that all the American States should adhere to the worldwide

Convention on Road Traffic (Geneva, 1949), establish promptly the distinctive sign indicating national origin of motor vehicles in international traffic as provided by that treaty, and study the United Nations proposals for qualifications of drivers in international traffic with a view to their adoption as a basis for uniform issuance of drivers' permits; and that any country which has not yet done so should also ratify the regional Convention on Regulation of Inter-American Automotive Traffic (Washington, 1943) in order to meet the special documentary requirements of countries in this hemisphere pending ratification of the world convention.

Resolution XXIV: Recommendation that a Department of Traffic, Highways, or Roads be created in each country where it does not already exist and that information on such departments be sent to the permanent secretariat.

Resolution XXVI: Suggestion that adequate rights-of-way be obtained for highways, 60-meter minimum width for principal routes and 30-meter for secondary, with 100 meters, if possible, for all roads on the Pan American Highway.

Resolution XXVII: Recommendation that each country establish a National Commission on Communications to prepare a general plan for the national and regional development of highways, railways, inland and ocean waterways, and airways, with a view to coordinated economic and social betterment; that such a plan determine the steps necessary to be taken for both immediate and future development of the country; and that on completion of the work of the Commission, a National Council of Communications be established as a consultative body to study traffic changes in the various modes of transport and other unforeseen developments which may affect the coordinated program.

Resolution XXIX: Suggestion that the American States adopt the contract method for construction of highways.

Resolution XXX: Suggestion that the governments give preferential attention to the maintenance of highways.

Resolution XXXIII: Suggestion that the governments promote the construction of local roads in order to augment areas under cultivation,

³ For a summary of the 1949 convention see BULLETIN of Dec. 12, 1949, p. 886.

attract new industries, increase traffic on the principal routes, and develop the national economy and culture.

Resolution XXXIX: Recommendation to the Inter-American Economic and Social Council to convene a meeting of traffic experts before the next Pan American Highway Congress is held.

Resolution XLII: Resolution to hold the Seventh Pan American Highway Congress in Panamá City, R. P., in 1957.

Resolution XLIV-A: Recommendation that schools for operators of construction and transportation equipment be established and that aerial photographs be used as part of the means for determining highway locations.

U.S. Announcement

One of the chief events of the Congress required no specific resolution. It was an announcement by the chairman of the U.S. delegation in the plenary session of July 16 to the following effect:

I am sure that most of you already know that in May of this year the United States Congress made an effective contribution toward completion of the inter-American portion of the Pan American Highway between Mexico and the Panama Canal by authorizing the future appropriation of funds required to complete the Inter-American Highway by 1960 in cooperation with the Central American countries and Panama. You will be interested to learn that this legislation was introduced and skillfully guided to final approval in the Congress by the Honorable J. Harry McGregor, Congressman from the State of Ohio, aided by the Honorable George H. Fallon, Congressman from the State of Maryland, both of whom are present with us here in Caracas as members of the United States delegation to this Congress.

As all of us are aware, one of our objectives here is to develop a means to hasten opening of the 25-mile gap in the highway in northern Guatemala. I am glad to be able to announce to the delegates to this Sixth Pan American Highway Congress that I have just received information that hearings have already been completed and that the Congress of the United States has before it now the bill for the actual appropriation of sufficient funds to permit the United States Government to enter into a cooperative agreement with the new Government of Guatemala to commence work on this section of the highway. Should the United States Congress act favorably on this appropriation, funds would then be available with which the United States and Guatemala could negotiate an agreement for the immediate beginning of construction on this important section of the highway.

The statement was greeted by applause. To

many of those present, it meant that the last political obstacle to completion of the Inter-American Highway was about to be removed and that a through overland connection between the United States and the Panama Canal could become a reality, if the United States Congress so desired, within a period of perhaps 5 years.

• *This report was drafted for the U.S. delegation by H. H. Kelly, officer in charge of inland transport matters for the Office of Transport and Communications Policy.*

TREATY INFORMATION

Current Actions

MULTILATERAL

Agriculture

International plant protection convention. Done at Rome December 6, 1951. Entered into force April 3, 1952.¹ *Notification by Australia of extension to:* Territories of Papua and New Guinea, Nauru and Norfolk Island, August 9, 1954.

Commodities—Sugar

International sugar agreement. Done at London under date of October 1, 1953. *Ratification deposited:* Lebanon, September 23, 1954.

Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948.² *Acceptance deposited (with reservation):* Mexico, September 21, 1954.

Slave Trade

Protocol amending the slavery convention signed at Geneva on September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953.¹ *Acceptance deposited:* Egypt, September 29, 1954.

BILATERAL

Greece

Treaty of friendship, commerce and navigation. Signed at Athens August 3, 1951. Entered into force October 13, 1954.

Proclaimed by the President: October 18, 1954.

Treaty of establishment. Signed at Athens November 21, 1936. Entered into force October 22, 1937. 51 Stat. 230. *Terminated:* October 13, 1954 (upon entry into force of the treaty of friendship, commerce and navigation of August 3, 1951).

¹ Not in force for the United States.

² Not in force.

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Check List of Department of State Press Releases: October 18-24

Releases may be obtained from the News Division, Department of State, Washington 25, D. C.

Press releases issued prior to October 18 which appear in this issue of the BULLETIN are Nos. 568 of October 11, 575 of October 13, 576 and 577 of October 14.

No.	Date	Subject
†581	10/18	Agreement with Belgium.
582	10/18	Union of South Africa credentials (rewrite).
583	10/18	Drumright: transfer of destroyers.
*584	10/18	Visit of Adenauer.
*585	10/18	Honor awards ceremony.
*586	10/18	Statement to UNESCO Commission
*587	10/19	Drew: swearing-in ceremony.
*588	10/19	Educational exchange.
*589	10/19	Hare: designation as Director General of Foreign Service.
590	10/19	U.S. delegation to NAC meeting.
591	10/19	Dulles: awards ceremony.
592	10/19	Dulles: departure for Paris.
593	10/20	New regulation on immigration.
†594	10/19	Dulles: Suez Base agreement.
595	10/19	Petersen case.
†596	10/21	Wainhouse: U.N. Charter review.
†597	10/21	Treaty with Greece.
*598	10/21	Arrival of Hong Kong refugee.
599	10/21	U.S.-Pakistan communique.
†600	10/21	Copyright arrangement with India.
†601	10/22	Foreign Relations volume.
*602	10/22	Brown: Germany's role in free world.
†603	10/22	Dulles: United Nations Day.
604	10/22	Admission of Polish seamen.

*Not printed.

†Held for a later issue of the BULLETIN.



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The Record on Disarmament

Publication 5581

15 cents

A Subcommittee of Five of the U.N. Disarmament Commission met at London in May-June 1954 to carry out the General Assembly's resolution of November 28, 1953, to "seek in private an acceptable solution." Following these talks, the Subcommittee's report was transmitted to the Disarmament Commission, which dealt with the Subcommittee's results at New York on July 20-29, 1954.

The Record on Disarmament is a report on these meetings. As stated in the Letter of Transmittal, the discussions gave a clear indication of the present direction of Soviet thinking on disarmament. The Soviet Union showed no serious desire to negotiate the subject. It confined its efforts to glib distortions to support the propaganda slogan "ban the bomb."

This 20-page document gives a running account of the developments in the secret talks at London, the records of which have now been made public, and the meetings at New York. The booklet provides a summary of the chief Western proposals and tactics. It concludes with a section on the implications of the discussions.

Copies of *The Record on Disarmament* may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C.

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UNIVERSITY OF ILLINOIS

The Department of State

bulletin

Vol. XXXI, No. 802

November 8, 1954



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The Department of State bulletin

VOL. XXXI, No. 802 • PUBLICATION 5652

November 8, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

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PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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Peace in Freedom

*Address by the President*¹

We have come together in memory of an inspiring moment in history—that moment, 300 years ago, when a small band of Jewish people arrived on the ship *Saint Charles* in what was then the Dutch colony of New Amsterdam. It was an event meaningful not only to the Jews of America but to all Americans—of all faiths, of all national origins.

On that day there came to these shores 23 people whose distant ancestors had, through the Old Testament, given new dimensions of meaning to the concepts of freedom and justice, mercy and righteousness, kindness and understanding—ideas and ideals which were to flower on this continent. They were of a people who had done much to give to Western civilization the principle of human dignity; they came to a land which would flourish—beyond all 17th century dreams—because it fostered that dignity among its citizens.

Of all religious concepts, this belief in the infinite worth of the individual is beyond doubt among the most important. On this faith our forefathers constructed the framework of our Republic.

In this faith in human dignity is the major difference between our own concept of life and that of enemies of freedom. The chief of these enemies a decade and more ago were Nazi and Fascist forces, which destroyed so many of our fellow men. Today the Communist conspiracy is the principal influence that derides the truth of human worth and, with atheistic ruthlessness, seeks to destroy the free institutions established on the foundation of that truth.

Asher Levy and his party came to this land on that long-ago day because even then they had to

find a country where they could safely put into practice their belief in the dignity of man.

In this respect, as in so many others, they were no different from scores of other groups that landed on our shores. Only 34 years earlier, another party had landed at Plymouth Rock. That group, too, came here in the hope of escaping persecution, of gaining religious freedom, of settling quietly in the wilderness to build their homes and rear their families.

And there was another noble concept of our common Judeo-Christian civilization shared by these two groups and by all others who have come to this land: the ideal of peace.

I recall that wonderful prophecy of Isaiah: "And the work of righteousness shall be peace; and the effect of righteousness, quietness and assurance forever."

The pursuit of peace is at once our religious obligation and our national policy. Peace in freedom, where all men dwell in security, is the ideal toward which our foreign policy is directed.

I know that I am speaking to people who deeply love peace. I know that, with all other Americans, you share a profound thanksgiving that, for the first time in 20 years, there is no active battlefield anywhere in the world.

Moreover, while fighting has been brought to a halt during the past 21 months, still other developments favorable to the maintenance of peace have been brought about through understanding and through persistent and patient work, in which your Government has been a helpful participant. Some of these developments have commanded our headlines—Korea, Indochina, Egypt, Trieste, Iran, Guatemala.

Our people and their Government are dedicated to making this a just and lasting peace.

In the years immediately ahead, the advance-

¹ Made at the American Jewish Tercentenary Dinner at New York, N. Y., on Oct. 20 (White House press release).

ment of peace will demand much of us—our strength, our patience, our wisdom, our will. It will demand, above all, a realistic comprehension of the world and of its challenging problems. Some of the factors in these problems are new, some old.

The principal and continuing factor is the persistently aggressive design of Moscow and Peiping, which shows no evidence of genuine change despite their professed desire to relax tensions and to preserve peace. Continuing, also, is the breadth and scope of the Communist attack; no weapon is absent from their arsenal, whether intended for destruction of cities and people or for the destruction of truth, integrity, loyalty.

Development of New Weapons

The major new factor in the world today, beside the absence of fighting, is the rapid development in military weapons—weapons that in total war would threaten catastrophe. This single product of science should be sufficient to stimulate the genuine efforts of all, including the Kremlin, to give to the world a true and permanent peace.

For our part, we shall explore every avenue toward that goal. With any and all who demonstrate honesty of purpose, we are happy to confer. But well we realize that, in the circumstances of the moment, America must remain strong, and the community of free nations must likewise remain strong, to discourage the use of force in the world. In this effort, we must help to harmonize the divergent views of the many free, self-governing nations, and without encroaching upon rights which all people cherish. For in the diversities of freedom are a tremendous might, a might which the imposed system of communism can never match.

Our nation, because of its unmatched productivity and power, both existing and potential, holds a prime responsibility for maintaining peace. How, then, shall we meet this responsibility? With what policies can we best pursue our goal of peace?

Certain fundamentals are clear. Our nation does not covet the territory of any people. We have no wish to dominate others. The peace we seek is a secure and a just peace, not bought at the expense of others, of principle, or of abject surrender of our vital interests. Peace so bought

would at best be an illusion, and at worst a permanent loss of all that we hold most dear.

The following avenues must be trod as we make our way toward our peaceful goal.

First, we must tirelessly seek—through the United Nations, through every other available means—to establish the conditions for honorable peace.

Second, we must promote the unity and collective strength of other free peoples.

Third, we must maintain enough military strength to deter aggression and promote peace.

In these thoughts, we Americans overwhelmingly agree.

To examine briefly the first principal avenue, we stand ready to join all others in removing fear among nations. We shall resolutely adhere to the principles of the United Nations Charter. We shall constantly urge the Communist rulers to do the same. We shall keep open the existing channels for negotiation and shall use them whenever there is any prospect of positive results.

At the Berlin and Geneva conferences, our nation sought serious negotiation on German unity, on a treaty for Austria, and on a political settlement for Korea. Our efforts found no similar response from the Communist side. We will not be misled by proposals intended to divide the free nations and to delay their efforts to build their own defenses. Nevertheless, no matter how discouraging the prospect, no matter how intractable the Communist regimes, we shall press on in search for agreement.

We will welcome an agreement on a workable system for limiting armaments and controlling atomic energy. Moreover, if the armaments burden can be lifted, this Government stands ready to ask the Congress to redeem the pledge made a year ago last April to help support, from the funds thus saved, a worldwide development program.

The second road leading toward our peaceful goal concerns our efforts to strengthen and unify other free peoples.

To meet the challenge destiny has laid upon our country, we must strive to help free peoples achieve their own security and well-being; we must encourage regional groupings of these peoples; we must ourselves foster and practice policies that encourage profitable trade and productivity in the free world.

In these areas, there has been heartening prog-



Secretary Dulles Reports to President in First Open Cabinet Meeting

On the evening of October 25 President Eisenhower and his Cabinet met at the White House in an open session, with nationwide press, radio, and television coverage, to hear Secretary Dulles' report on the outcome of the recent negotiations at Paris. Mr. Dulles reviewed the Four Power meeting, where agreements were approved on the subject of restoring German sovereignty; the Nine Power meeting, which reached final agreement on the documents required to amend the Brussels Treaty, establish the Council for Western European Union, and set up an agency for the control of the armed forces; and the meeting of the Council of Ministers of the North Atlantic Treaty Organization, where the 14 members unanimously approved the protocol which will invite Germany to become a full and equal member of NATO.

Several of the other Cabinet members asked Mr. Dulles specific questions—on the Saar settlement, on the prospects of ratification, on Soviet reaction. To the question about how the Soviet Union feels about the Paris agreement, Mr. Dulles replied, in part: "I would say that I feel pretty confident that the Soviet Union doesn't like what is going on. . . . There is behind this program a sense of urgency and momentum, so that I don't believe the Soviet Union will be able to break it up."

In conclusion Secretary Dulles said: "What has happened during these last few weeks has demonstrated that there is a basis for a good partnership on both sides of the Atlantic Ocean."

A transcript of the Cabinet meeting, reproduced in pamphlet form, may be obtained from the Public Services Division, Department of State, Washington 25, D. C.

ress. We have broadened our alliances. We have helped to remove sources of conflict. We have helped to build firmer foundations for social and economic progress in our quest for peace.

Negotiations at Paris

For some years free world nations have sought to associate the Federal Republic of Germany in the Atlantic community. Rejection of the European Defense Treaty by the French Assembly 7 weeks ago was a setback to that hope. Yet, no nation in Western Europe was willing to accept this setback as final. In the recent meetings at London, the free Western nations reasserted their basic unity and established a new pattern for achieving their common purposes. Secretary of State Dulles has just joined our European allies in Paris in further important negotiations to strengthen European cooperation.

In Southeast Asia we have sought united action to preserve for the free countries of that area the independence accorded them at the end of World War II. Unfortunately, in recent years no foundation was laid for effective united action to prevent Communist gains. Because of their consequent isolation, the governments that bore the burden of the Indochina war understandably sought its conclusion in the face of the limitless manpower of China.

But recently at Manila we succeeded in negotiating a treaty with Asian and European countries. This pact symbolizes the desire of these nations to act together against aggression and to consult together on measures against subversion. The Manila Pact, bringing together states of the East and the West, and the related Pacific Charter are a long step toward the peaceful progress to which all Asian peoples aspire, whether or not members of the pact.

In this hemisphere, we have strengthened our solid understanding with our American neighbors. At the Caracas conference earlier this year, the American Republics agreed that if international communism were to gain control of the political institutions of any one American state, this control would endanger them all and therefore would demand collective action. Recently such a threat arose in Guatemala. The American states were preparing to act together to meet it when the Guatemalans themselves removed the danger.

The Caracas agreement will stand as a bulwark of freedom in the Western Hemisphere.

In a number of areas throughout the free world, dangers to peace have been eliminated. The problem of Trieste, a threat to peace for a decade, has now been satisfactorily solved by Italy and Yugoslavia, with friendly assistance from the United States and Great Britain. Egypt and Britain appear to have reached an amicable adjustment of questions centering on Suez. Iran has been helped in settling its difficult internal problems and is moving toward firm and friendly relations with the West.

In the Near East, we are all regretfully aware that the major differences between Israel and the Arab States remain unresolved. Our goal there, as elsewhere, is a just peace. By friendship toward both, we shall continue to contribute to peaceful relations among these peoples. And in helping to strengthen the security of the entire Near East, we shall make sure that any arms we provide are devoted to that purpose, not to creating local imbalances which could be used for intimidation of or aggression against any neighboring nations. In every such arrangement we make with any nation, there is ample assurance that this distortion of purpose cannot occur.

The fact that so many stubborn problems have been resolved with patience and forbearance surely justifies our hope that, by similar efforts, the nations of the free world will be able to eliminate other problems. Such efforts themselves tend to bring the free nations closer together. In speaking recently of the London Conference, Sir Winston Churchill said of his country and the United States, "True and friendly comprehension between our kindred nations has rarely reached a higher standard."

When we think of these many encouraging developments over the world, and the patient, helpful work that brought them about—when we contemplate the fact that the seemingly endless war in Korea, with its tragic casualty lists, is a thing of the past—and when we see improvement in area after area, from Suez to Iran, from Trieste to Guatemala, from London to Manila—then we indeed take heart.

In addition, we must devise means by which more highly developed countries can assist peoples who face the difficulties of an earlier stage of economic development.

As we continue to assist in these efforts, we shall also contribute much to free world unity by the wise use of our great economic power. We have, in the past, provided indispensable assistance to our partners. We continue to stand ready to help: to repair the ravages of war; to ease economic difficulties caused by vital efforts to build defensive military strength; to relieve disasters from flood or famine.

Sharing the Economic Burden

Economic relations, however, are not a one-way street. If the common goal is to be reached, free nations must subordinate the selfish to the general interest. All must bear their fair share of the common burden. All must do more to liberalize the exchange of goods among free peoples. Let us be mindful, first of all, of our own responsibility in this field. Bold action could release powerful forces of economic enterprise from which the whole free world would benefit.

If there were no other reason for national policy being concerned every day and every minute with the nation's economy and with full employment, it would be justified by the need for this kind of economic strength in meeting world problems.

We must continue to explore ways in which nuclear discoveries can be turned to the service of man's peaceful needs. Since our nation's proposal for an international effort toward this end was laid before the United Nations last December, we have taken the initiative in this direction. We would welcome the participation of the Soviet Union. But this great effort for human welfare cannot wait upon their decision.

Our third major road leads us to maintain enough military strength to deter aggression and to help keep peace in the world.

This strength is a trust on which rests the hope of free men.

Neither in size nor in character can our military establishment remain static. With constantly changing dangers, with rapidly changing developments in the science of warfare, our military forces, too, must change. From atomic submarine to atomic cannon, from new weapon systems to new military organizations, this giant, complex structure must respond to the current needs of our time. Above all, its purpose is to prevent aggres-

sion and war. Our forces will never be used to initiate war against any nation; they will be used only for the defense of the free world.

Together with the armed strength of other free nations, our military power—the greatest in our peacetime history—is today a deterrent to war. This awesome power we must and shall maintain, for we are determined that at all times, in today's uncertain world, we shall be able to deal effectively and flexibly with whatever situations may arise.

My friends, in these many ways our nation will continue tirelessly in its quest for peace based on justice. In recent months, we have come far, and yet we know that the road ahead is long and difficult. But we shall continue to press on toward our goal.

And as we do, we shall keep faith with those of earliest America who, as they came to these shores three centuries and more ago, launching a venture in freedom unparalleled in man's struggle over the ages, sought peace and freedom and justice, for themselves and for those who were to follow.

Yes, my friends, we know, with the prophet Isaiah, that the work of righteousness shall be peace.

We know that the Lord will give strength unto all of us as we strive tirelessly, confidently, for peace.

Visit of Prime Minister Yoshida

The Department of State announced on October 28 (press release 614) that Prime Minister Shigeru Yoshida, after completing visits to Canada, France, West Germany, Italy, the Vatican, and the United Kingdom, would arrive at New York on November 2 and at Washington on November 7.

The purpose of his visit is to promote amicable relations and to further understanding between Japan and the United States. He will meet President Eisenhower, Secretary Dulles, and other American leaders with whom he hopes to exchange views on matters of mutual interest and concern to both countries.

The Prime Minister will stay in Washington until November 11, when he will leave for Japan, traveling by plane by way of San Francisco and Honolulu.

Visit of Chancellor Adenauer

Chancellor Konrad Adenauer of the Federal Republic of Germany arrived at Washington on October 27 for discussions with the President and Secretary Dulles. During his stay he and the Secretary, on October 29, signed a Treaty of Friendship, Commerce, and Navigation between the United States and the Federal Republic. Following are the texts of a statement made by Chancellor Adenauer on his arrival at the Washington National Airport, a statement issued by the President and the Chancellor on October 28, and an announcement of the treaty signing, together with statements made at the signing by Secretary Dulles and the Chancellor.

AIRPORT STATEMENT BY THE CHANCELLOR

[Translation]

Today, for the second time, I set foot on the soil of this hospitable, great, and free country. Many decisive events have taken place within the year and a half since my last visit.¹ At that time a question was not yet settled which perhaps was a matter of life or death for my people and was of the utmost importance to the fate of Europe and to the preservation of peace in the world.

The question was whether the North Atlantic Alliance, on whose strength and effectiveness the freedom of the world is based, could be so implemented in Europe that it would constitute a genuine deterrent to any aggressor. This was the meaning of the invitation extended to us to join, as a new partner, the community of the free people united in this alliance.

The German people, aware of their common responsibilities with the free world, did not hesitate to accept the invitation. It was uncertain for

¹ For material relating to the Chancellor's visit in April 1953, see BULLETIN of Apr. 20, 1953, p. 565.

a long time, however, which form of German participation in the defense of the free world would find the agreement of all European partners.

We hope that these doubts and this uncertainty have now passed. During the conferences of London and Paris, solutions were found to which all participating governments could agree. We could not have overcome the terrible state of uncertainty, anxiety, and insecurity with which we lived so long had we not had the generous support of the American Government and American public opinion on our road to assuming our own full responsibilities and to our final acceptance into the community of free peoples.

My satisfaction with what we have just achieved is, therefore, mixed with deepest gratitude toward the American people and their Government for their understanding and their assistance. We owe gratitude to President Eisenhower for his unflinching confidence in us, and we owe gratitude to Secretary of State Dulles for his foresight, wisdom, and steadfastness which were so much in evidence at the conferences where our fate was decided.

I am moved to express this feeling at the very moment of my arrival in the United States. The whole German people are united in the desire to live in continual, cordial friendship with the American people.

STATEMENT BY THE PRESIDENT AND THE CHANCELLOR

White House press release dated October 28

At the end of their meeting today the President and the Chancellor issued the following statement:

I

During this morning's conversations we took an opportunity to renew the spirit of friendship and

confidence which has marked our relationship in the past, especially in our efforts to overcome the very serious situation which faced us during the past few months. We reviewed the decisions taken at London and Paris and we are convinced that with the coming into effect of the Agreements signed this past weekend, the road towards a strong and united Europe will have been paved. We view the understanding reached between the Governments of France and the Federal Republic of Germany as an especially encouraging step towards lasting peace in Continental Europe. This understanding was greatly furthered by the commitment on the part of the United Kingdom to maintain forces on the Continent. The basis for a European community has thus been established.

The continued interest in and support of this community by the United States was reiterated. Together with the strengthened North Atlantic Treaty Organization, now to include the Federal Republic of Germany, these new agreements will, we are convinced, serve to reinforce the defense system of the free world.

II

We particularly addressed ourselves to the question of German reunification. The demand for a reunited Germany in freedom is viewed by us as the legitimate demand of the German people. We are agreed that this aim shall be achieved only by peaceful means. We are convinced of the necessity of continued efforts towards this goal and are agreed that such efforts will be made by the United States and the Federal Republic of Germany together with the Governments of the United Kingdom and France.

In this connection, we exchanged views on the latest Soviet note.² It is our initial view that this does not seem to offer any new proposal on the part of the Soviet Union; it appears essentially as a reiteration of the positions taken by Mr. Molotov at the Conference in Berlin regarding Germany and European security.

We have no doubt that the strengthening of free Europe which will result from the recent London and Paris Agreements will aid our efforts to bring freedom and unity to all of the German people.

² Delivered to the U.S., British, and French Ambassadors at Moscow on Oct. 23.

III

We discussed the unfortunate fact that large numbers of German prisoners of war and civilian deportees are still held in custody in areas behind the Iron Curtain, mainly the Soviet Union. The Chancellor requested the continued assistance of the United States in obtaining the release of these prisoners. This question has for some time been the subject of investigation by a United Nations Commission. The Chancellor was assured that the United States stands ready, now as in the past, to offer every support and assistance considered useful in accomplishing this end.

IV

We also discussed the question of German assets in the United States. The President expressed sympathy for the problem raised by the Chancellor in his letter of July 17, 1954, to him on this subject³ and again expressed his willingness to explore such problems along with the question of American war claims. We were agreed that conversations between representatives of our two Governments will soon begin.

SIGNING OF TREATY OF FRIENDSHIP

Department Announcement

Press release 616 dated October 29

Secretary Dulles and Chancellor Konrad Adenauer today signed a Treaty of Friendship, Commerce, and Navigation between the United States of America and the Federal Republic of Germany.

The treaty signing is the culmination of a negotiation that began at Bonn over a year ago and was completed in Washington by delegations headed respectively by Walther Becker of the German Foreign Office and Thorsten V. Kalijarvi, Deputy Assistant Secretary for Economic Affairs.

The treaty is designed to regulate basic economic relations between the two countries in accordance with advanced and enlightened standards and to direct the future development of those relations along mutually beneficial lines. It replaces, in the greater part, that treaty of 1923 between the United States and Germany which was the forerunner and basic instrument in the devel-

³ BULLETIN of Aug. 23, 1954, p. 270.

opment of this Government's modern commercial treaty program.

The new treaty contains 29 articles, together with a protocol and exchanges of notes, and covers in some detail a wide range of subject matter.⁴ In brief, each of the two countries (1) agrees to accord within its territories to citizens and corporations of the other, treatment no less favorable than it accords to its own citizens and corporations with respect to engaging in commercial, industrial, and financial activities; (2) formally endorses standards regarding the protection of persons, their property and interests that reflect the most enlightened legal and constitutional principles; (3) recognizes the need for special attention to stimulate the international movement of investment capital and agrees that such movements shall not be unnecessarily hampered; and (4) reasserts its adherence to the principles of nondiscriminatory treatment of trade and shipping.

From the standpoint of aiding the economic interests of Germany, the treaty is the first of this type negotiated by that country since the war and represents an additional step in its forward-looking plans to attain a viable and sound economy and thereby contribute to the improvement of the economic welfare and security of the European community.

The U.S. program for the negotiation of treaties of friendship, commerce, and navigation is an integral part of this country's policy for the furtherance of liberal principles of trade and economic relations in general, and particularly for creating throughout the world conditions favorable to economic development. This treaty is the eleventh of its type which the United States has signed since World War II and follows the same general pattern as the others. Internationally, these treaties provide a detailed legal basis for the protection of American private interests abroad. Domestically, they reinforce in terms of international obligation the position of the Federal Government as guardian of the rights of foreigners and foreign enterprises in this country, a policy that has developed in conformity with the Constitution and Federal law. Treaties of this type also confer upon qualified aliens "treaty merchant" and "treaty investor" status under the immigration laws, i. e. the privilege of indefinite

⁴The unofficial text (not printed here) is attached to press release 616.

sojourn in the United States for engaging in trade between the two countries or for supervising a substantial investment.

The treaty will be submitted to the Senate for advice and consent and, after the constitutional ratification process of both countries has been completed, will enter into force one month after the exchange of ratifications.

Statement by Secretary Dulles

Press release 617 dated October 29

MR. CHANCELLOR: The signing of this treaty will mark the final official act of your all-too-short visit to Washington. Its meaning goes far beyond the terms which it contains. For this treaty will stand as the symbol of the completion of the process of reestablishing normal relations between our two countries. It will place our commercial relations once again on a peacetime basis.

I am particularly mindful of the fact that this treaty is not only a treaty of commerce but also a treaty of friendship. That relationship has marked our recent historic discussions in Bonn, London, and Paris and our talks here during the past 2 days. Now, this friendship is duly formalized for the years to come.

Some observers consider that the Paris agreements which we signed last Saturday had primarily as their objective a contribution by Germany to the Western defense, or, to put it more directly, German rearmament. That is not how we in the United States regard the matter, and I know that it is not how you regard the matter. The responsible leaders of both our nations have learned the dangers of militarism. Of course, all of the free peoples have a duty to contribute to the common defense. But our primary concern is to develop strong ties of friendship and peaceful commerce between the nations. It is that great and noble end which will be served by this treaty which we sign here today.

Statement by Chancellor Adenauer

[Translation]

MR. SECRETARY: On behalf of the Federal Republic of Germany I have signed with particular pleasure this Treaty of Friendship, Commerce, and Navigation, which was negotiated between our two Governments in a positive and constructive spirit.

I wholeheartedly agree with what you said in evaluating the results of the Paris Conference. It is not the question of raising some divisions which is at the bottom of our political activities, but the strengthening of ties of friendship within the free world and the further development of the welfare of our nations. We regret that we are forced to undertake efforts in the military field in order to protect these values.

I therefore welcome this treaty as a further firm element in the peaceful cooperation of our two countries. This treaty is a commercial and legal instrument of a comprehensive and modern character which is intended to establish a firm basis for relationships of trade, industry, and navigation between our two countries, as well as between individual citizens, on which our economic, cultural, and human relations can freely develop. I hope that this treaty will give new and strong momentum to the stream of living forces which in the past few years has begun to flow again from the manifold contacts and relations between the United States and Germany.

It was the particular aim of these negotiations to make our mutual trade relations as liberal as possible and to create favorable conditions for the exchange of goods and services between our two economies. I am therefore convinced that the treaty will have fruitful effects for the activities of our two countries.

What gives this event deeper significance is the fact that the Federal Republic of Germany concluded its first Treaty of Friendship, Commerce, and Navigation with the great American nation.

In the last few years and months we have rightly recalled to ourselves again and again the importance for us and for the other freedom-loving countries of the protection that our mighty American friend is offering us against the threat to which we are continuously exposed. But we do not want to forget that the worth of that protection is not higher than the values it protects.

A rich and prosperous life shall be possible within this protected area; free countries shall peacefully compete in a free exchange of their gifts and the products of their industry to promote the welfare of their citizens and to further their civilization.

These convictions form the basis of the impressive development of the United States and are the same ideals which form the foundations of our own political and economic life.

This common character of the ethical foundations is the basis of the friendship that unites our nations. This friendship is therefore much more than a mere community of interests which owes its existence to a present, and we hope passing, external threat.

That is why this friendship constitutes a lasting element in the life of our nations. To bear witness to this is the main object of the treaty we have just concluded.

Iranian Oil Agreement

Press release 610 dated October 28

The U.S. Government is happy to learn that the agreement-in-principle, signed on August 5, 1954, between the Government of Iran and an International Oil Consortium, has been ratified by the Iranian Senate [October 28] following its recent approval by the lower house.

This action by the Iranian Parliament lays the basis for the immediate resumption of Iran's oil industry.

Under the leadership of the Shah and Prime Minister Zahedi there is good reason to believe that Iran will be in a better position than in the recent past to make full use of its great natural resources; that, as a result of this far-reaching development, its people will enjoy a new era of economic and social progress; and that they will play an ever-increasing role in the maintenance of peace and security in the Middle East.

A Preview of the U. S. Position at the Rio Conference

by *Henry F. Holland*

*Assistant Secretary for Inter-American Affairs*¹

The bond that unites our American States is in its essence a spiritual tie born of our common struggle for liberty and of our consecration to identical moral and ethical standards. It is a relationship which we believe ennoble all those who share it. Its genius is our knowledge, proven again and again by experience, that through patience, understanding, and tolerance this kinship becomes steadily more meaningful—a source of strength and growth for all of us. Tonight I shall undertake a second report on the economic aspects of that relationship. The first was made in a talk given last April in New Orleans.² I still adhere to the convictions expressed then and shall recall one or two of them to you.

Our basic goal in the economic field in this hemisphere is to make an effective contribution to the establishment in each American Republic of a strong, self-reliant, and durable economy, one that will mean better living standards for all our peoples. We recognize and we shall vigorously defend the right of each American State to determine the methods by which it will seek that goal. Correspondingly, in our contributions we shall try to be consistent with those sound principles which experience has demonstrated to be the basis of strong economies.

One of these is the principle that governments should invade the field of business only when absolutely necessary and then, if possible, only on a temporary basis. Where private enterprise is willing to undertake the task, it should be made responsible for the production, distribution, and

marketing of goods and services. The role of governments in the economic field, we believe, is to create those conditions under which private enterprise can perform its task with maximum effectiveness and with full respect for its obligation to society and humanity. These conditions include guaranties of property and contract rights; an opportunity to earn a reasonable rate of return adequate to attract new capital; a stable and expanding international trade; the establishment of sound currencies; clearly enunciated and stable economic policies; the encouragement of strong and independent labor movements. They also include constant vigilance for the physical and spiritual needs of our people.

In April I emphasized the importance of the Conference of Ministers of Finance or Economy to be held next month in Rio de Janeiro. That conference gives us an opportunity to define economic goals, to compare our policies, and to coordinate them as far as possible. At Rio we can work toward the establishment of that kind of economic relation that should exist normally and permanently between mature, peaceful, and self-respecting nations, nations which are genuinely and deeply interested in each other's welfare. The time has come for us to concentrate on the kind of help which we can give to each other consistently dependably, and on a long-term basis, shifting our emphasis from temporary and emergency measures.

In New Orleans I said that in preparation for the Rio Conference we would undertake to clarify and define our Government's policies and would discuss them with our sister states well in advance of the meeting. In other words, we do not view that conference as an occasion for any dramatic disclosures of new policies. We are considerably

¹ Address made before the Pan American Society of the United States, Inc., at New York, N. Y., on Oct. 27 (press release 608).

² BULLETIN of May 17, 1954, p. 764.

more interested in performance and accomplishment. That calls for extensive consultation not only at the conference but before and after it. The economy of this hemisphere is a whole composed of interrelated parts. The more smoothly those parts fit together, the stronger is the whole. This process of interlocking is not a task to be undertaken and concluded at the Rio Conference. It is a long-term job, in which that conference should be only an episode, albeit a very important one.

Preparations for Rio Conference

Taking this approach we began in April to prepare for the conference. A sub-Cabinet committee comprised of representatives from every interested department and agency of our Government met twice weekly over a period of months to review our past economic policies in the hemisphere and to make specific recommendations for the future. The work of that group was largely concluded by the latter part of August, and its recommendations have been accepted. A number of us have spent much of the intervening time discussing those plans and policies with the governments of our sister republics. Let me outline them for you.

We have reemphasized that our mutual American goal must be a world at peace, in which the free democratic peoples can prosper and in which every man may have a chance to provide for his family improved standards of living and better opportunities for the future. Perhaps the most important single economic development in the hemisphere is the growing determination among men everywhere somehow to achieve better living standards, to feed, clothe, house, and educate themselves and their families better. That determination, if encouraged, can become a powerful factor in our progress. If the Rio Conference is to have any significance, it must be remembered as a time when the American family assembled to rededicate itself to a joint and several effort to better the lives of its men, women, and children.

Americans everywhere as they go about their daily work must have the confidence that here work and self-discipline will achieve the kind of housing, clothing, food, and education that make for dignity in living. Our children must look at their future with the same confidence. As nations, as peoples, as business and industrial communities, every step that we take toward achieving this goal

will be richly rewarded. Let me emphasize that, while that achievement will surely help in our united effort to eliminate communism from the Americas, our purpose would be the same if there were no Communist problem. It is our own interest in making of this hemisphere a better home for ourselves and our children that makes us steadfast in this purpose. An acceptable standard of living should be sought as an end in itself, not as a defense against communism.

The primary burden in each state must be borne by its own people and its own government. Nothing that the government or people of one country can do will raise living standards in another unless the internal conditions essential for progress are already there. If they are, we can, however, hasten the process somewhat by our own helpful policies. These to a considerable extent depend upon economic and legislative actions by our governments. This is particularly true with respect to the elimination of unnecessary controls and regimentation of economies. An outstanding example is the recovery made by Peru in the last 5 years where unsound controls and regulations were removed and export and import trade were progressively allowed to set the exchange rates without artificial manipulation. As was to be expected, the initial effects were disquieting, but the long-term advantages of a free economy are now fully apparent.

So each of us must be ready to carry his own load. That does not mean, however, that he must carry it alone. We know now that, just as there is an American political security, there is an American economic security in which we are all partners, and that whenever in any American State that freedom and that security are impaired, every other member of the family suffers. The long-term self-interest of each of us justifies our helping others to progress steadily toward a solution of this basic economic problem. The fight against hunger, disease, illiteracy, and human misery in this hemisphere must become more of a joint and several effort, each facing his own problem squarely but each trying in good faith to make some contribution to the efforts of the others. We attach great importance to the combined aspect of this effort. The problem is not how one nation can help 20 others to raise their living standards. It is how every American State without neglecting its domestic responsibilities can find

some way to help the other 20. The problems of none of us are so great but that each can find some way to demonstrate his sincere interest in the welfare of every other.

What have we concluded will be our own contribution? We believe that it can be most effective in three fields—commerce, finance, and technical assistance. In each, we have tried to define policies which are consistent with our laws and with what we believe to be practically possible in the United States today. Anything else would be pure theory, and we are interested in accomplishment. We shall, of course, take active interest in other fruitful fields of cooperation such as the encouragement of tourist travel.

Strengthening Commerce

In the field of commerce our policy will be that announced by President Eisenhower in his message on foreign economic policy sent to Congress last March.³ By those means which our laws permit and which are practically achievable we shall attempt to achieve more free and healthy trade and payments, to stabilize and strengthen our international commerce, and gradually and selectively to reduce those artificial barriers which obstruct it both here and abroad.

It may be hard to develop a policy, but it is harder still to apply it in the individual test cases. Here in this country when an issue is to be decided those on each side support their views tenaciously and energetically. That is wholesome even though it produces some pretty hot contests, particularly in the field of tariffs and quotas. Moreover, even people who wholeheartedly support a general policy of expanding foreign trade will fight hard for higher tariffs to protect their own interest. We would be unrealistic if we expected people to act in a less human fashion.

One thing is certain. Again and again the President's policy on foreign trade will be put to test, and each time it is, these clashes between opinions and interests will occur. No one can prophesy with certainty their outcome in specific cases and under specific circumstances. It is obvious from experience in a world of affairs that our performance in the application of our announced policy in the field of international and inter-American trade will not be uniform. However, I be-

³ *Ibid.*, Apr. 19, 1954, p. 602.

lieve that we can say with conviction that the great majority of our decisions will be consistent with the President's policy and that the exceptions will be based upon good and valid reasons. In my judgment there has never been a time when the people of the United States and their representatives in the legislative and executive branches of our Government have been more aware of the crucial importance of international trade to our survival. To preserve the strength of our economy this Nation must export and import. To export we must accept the goods of other nations in payment for ours. It is just as simple as that. Unless we buy more from our neighbors in this hemisphere and sell more to them, neither our economies nor theirs will develop rapidly.

I am asked what guaranties we can give of the stability of this foreign trade policy. The answer is obvious. The best guaranty of that policy lies in spreading to every corner of our country a clear understanding of the stake that each United States citizen has in our foreign trade. If we reduce our purchases of sugar from Cuba, by the same dollar amount we reduce our sales to her of automobiles, farm implements, rice, and other agricultural products. If we do not buy oil from Venezuela, we correspondingly reduce our tremendous volume of exports to her. The same happens if we reduce our purchases of wool from Uruguay or of coffee from Brazil, Colombia, and the other coffee-producing countries, if we do not buy lead and zinc from Canada, Mexico, and Peru, copper from Chile, tin from Bolivia. The same truth holds throughout the hemisphere.

Capital for Economic Development

The second field in which we shall try to make an effective contribution toward raising living standards is that of finance. To progress economically a nation must have capital. It must come, of course, from either public or private sources. By far the more prolific is the last. Private investors in the aggregate are able at any time to produce quantities of capital that enormously exceed the maximum that governments can contribute. Today much private capital is available here and in other nations which accumulate it.

This being true, if a government wants to attract capital for economic development, what better can it do than institute those policies and cre-

ate those conditions that will logically encourage all private investors, both domestic and foreign. Both groups on the whole will react in the same way to a given set of conditions. Anything that discourages a Mexican investor is likely to discourage one from the United States or Argentina. By the same token conditions that attract one will attract the other.

I am afraid we may have placed too much emphasis on measures to attract the foreign investor. A government that wants foreign investors should first take a careful look at the local investor. If he is exporting his capital or investing it only in such nonproductive things as real estate, then it is a reasonable certainty that the foreign investor will be reluctant to enter. But if the domestic businessman is demonstrating his own confidence by investing in the sound and productive economic development of his country, then in order to attract the foreign investor it is necessary to add only two factors. The first is assurance of equal treatment to domestic and foreign investors, and the second is reasonable assurance of an opportunity to repatriate profits. Where the local situation is such that the domestic investor is active, add these two factors and the foreign investor will come if he is wanted.

We believe that in the 20th-century American businessman, be he Brazilian, Mexican, North American, or what you will, lies the greatest hope for prosperity in our hemisphere. Private enterprise went through a period of evolution when its lack of interest in basic human welfare brought it into ill repute and led nations to experiment with other systems. Those experiments have generally failed miserably, producing high costs, inferior goods and services, financial and political instability. They tended to make people lose confidence in currency, their savings, and their ability to take care of themselves and to devote their attention instead to plans to insure that governments would take care of them. We may now be emerging from that period of experiment. If so, it was not in vain.

In the last decades and particularly since World War II, I believe a new kind of businessman has developed throughout the American hemisphere, a 20th-century businessman, one with a social conscience, who understands that a business which habitually fails to pay its workers a decent livelihood is not an asset to its owners, to its commu-

nity, or to its nation. This new businessman has demonstrated a willingness to discipline himself and to submit to just discipline from his government. At the same time he has preserved that relentless drive, inexhaustible resourcefulness, and fierce pride in excellence of performance that no other system has even approached. He deserves the support of our governments.

I am told that we place too much emphasis on the role of private enterprise in solving our economic problems. The system has no peculiar sanctity. Our attitude toward it derives from the fact that it is the only economic system that fully preserves our philosophy of the dignity of every man; because better than any other system yet devised by man it has demonstrated the ability to make vast quantities of goods and services available at reasonable prices. Only private enterprise is equal to the task of developing the huge resources of this vast hemisphere, resources which could support a greatly increased population and at a much higher standard of living.

Government Financing

Yet we know that private enterprise cannot do the job without some government help. There are development projects that are essential to the progress of our countries and for which private capital will not be available even under the most favorable circumstances. That is true here in the United States as well as in Latin America.

For those projects governmental financing is needed. In some cases the local government will be equal to the task. In others it will be unable itself to provide the required amount of capital but will be able to service a long-term international loan.

Here we think first of the International Bank. It was created to perform precisely this task. On the whole its record has been excellent. Its personnel is highly trained and experienced. It has capital available to lend. It would be shortsighted not to make maximum use of the bank. However, we recognize that there will be projects, both public and private, for which foreign financing will be required and which will lie outside the normal scope of International Bank lending.

To meet this need the United States proposes to intensify and expand the activities of the Export-Import Bank. Through it we shall do our utmost to satisfy all applications for economic develop-

ment loans that fulfill certain sound and logical standards. First, the project must be one for which private capital would not reasonably be available, even under favorable conditions. Preference will be given to applications from countries which have taken measures which would reasonably encourage private capital. The project must be one for which it cannot be reasonably expected that capital will be available from the local government or from the International Bank.

Secondly, the loan itself must be economically sound. We feel that unsound loans, those which a reasonable man must assume will not be repaid, do more harm than good. A defaulted loan impairs a nation's credit and makes it harder for it to negotiate loans which would otherwise be perfectly sound. A defaulted loan creates resentments at home and abroad. Several Latin American governments have expressed to us strong opposition to accepting so-called soft loans, pointing out that the liquidation of old debts which should never have been incurred imposes an unjustified burden on a national economy. On the other hand, acceptance of a sound loan standard encourages us all to follow those wholesome policies that not only increase the borrowing capacity of governments but lead to the establishment of strong business enterprises which can themselves qualify for loans that do not encumber the credit of their governments.

Third, the project to which the loan relates must be one in the mutual interest of the two governments and their peoples. The credit of a government should not be burdened for a project which has no bearing on the welfare of the taxpayers who must eventually repay it.

Lastly, the amount of the loan should not exceed the prudent lending capacity of the Export-Import Bank. After thoughtful consideration, we believe that the bank's capacity is and will continue to be adequate fully to support this policy. In reaching this conclusion we are entirely aware that this policy implies a substantial increase in the bank's activities.

Technical Assistance

I now come to the field of technical aid. This hemisphere is richly endowed with natural and human resources which are as yet but inadequately developed. Through technical assistance and training, these presently available resources can

more quickly and effectively be put to use. Through technical assistance, agricultural lands which barely feed their occupants can be made to produce marketable supplies for cities as well. Technical assistance can correct substandard housing by making information available on construction methods and economical materials. Through technical assistance, disease can be reduced and life expectancies raised. In the field of technical assistance almost every nation can find some way to make its contribution to a vast attack on human misery. Our policy will be to strengthen and to diversify our contribution in the field of technical assistance, but only, of course, if this is desired and requested by the governments concerned.

The policies which I have outlined mark, as you might expect, a compromise between the sincere convictions of those within our Government who would not have gone so far and those who would have gone farther. A number of proposals submitted from within our own Government or from abroad have not been accepted. We are not foreclosing the discussion at Rio of any proposal supported by any delegation. We shall participate in all discussions and in good faith. However, we feel that it is constructive to announce our own views far in advance of the conference and to invite those of the other governments so that the work of coordinating our policies and our efforts can begin long before we arrive at Rio.

Price Stabilization

The governments of Latin America are interested in devising means to stabilize prices for the products which they sell in world markets. The problem is one which concerns us as well, for we also have exports whose prices fluctuate widely. We have attempted by various means to solve this problem here at home. None has proved entirely successful. This does not mean that we will abandon our efforts to find a solution or that we will be unwilling to consider those proposed by other American States. However, our own experience leads us to believe that a hemisphere-wide program which would simply shift to this Nation a large part of the risk for price fluctuations is not justified by the nature of the problem. The cost would exceed our capacities whether the program contemplated direct payments or buffer stocks created to support prices.

We are reluctant to guarantee to finance whatever portion of the cost of development projects a local government may find itself unable to carry because of a drop in prices of its goods. Such programs would tie up part of the government's borrowing capacity without any certainty that it would ever in fact be used.

There are practical ways to reduce the magnitude of the problem, even if it cannot be eliminated. Maintaining high and stable levels of economic activity and income will help. Assurance to producers everywhere of greater and more dependable access to the world's markets will neutralize some of the factors that produce these violent fluctuations in prices. If we maintain more accurate methods of estimating future supply and demand, those unforeseen shortages and excesses that distort prices can be minimized.

Another proposal which has been made is that we create an inter-American bank whose capital would be largely furnished by the United States and which would make loans directly to foreign companies without the guaranty of their governments. We feel that such a bank would either compete with private lending institutions or would largely duplicate services available through the Export-Import Bank. The latter is now authorized to extend credit to private borrowers whether domestic, foreign, or mixed, and it does not always require a guaranty from the local government. So flexible is the service offered by the Export-Import Bank that there are few lending operations which it cannot undertake within the limits of the policy we have outlined. We feel, therefore, that the benefits from creating still another independent banking institution would not justify the expense and time required to organize it, assemble and train its personnel, and establish operating procedures. Better, quicker, and more effective, we feel, is the achievement of those same benefits through intensified activity of the Export-Import Bank.

We have heard but little support either at home or abroad for massive programs of grant aid in this hemisphere. I believe that it is generally recognized that, save in cases of real emergencies and such special projects as the Inter-American Highway, these programs are neither needed nor wanted by the other American States.

I should mention at least briefly the question so often asked as to whether our policy is not really

to discourage industrialization in Latin America, forcing it to supply us with raw materials which we will fabricate and resell as manufactured goods. Such a policy would be directly contrary to our own best interests. One of our problems is to sell our own foods and raw materials, as well as our manufactured goods. We export more than four times as much to Canada as to any other country in the world. Canada is rapidly industrializing, and the more she industrializes the more she buys from us and we from her. The same is true in Latin America. Mexico, Venezuela, and Cuba are industrializing rapidly. They are, respectively, our third, fifth, and sixth most important customers. Obviously, we serve our own interests by encouraging sound industrialization in Latin America.

These, then, are the policies which we are submitting to the Latin American Governments and to the Cabinet Ministers who will head their delegations at Rio. I have heard surprise that they include no dramatic, startling new element that will create a theatrical impact at Rio. I am grateful for that. It lets us center emphasis and attention where it should be centered, on our great need to define our basic problem—how to better the lives of our people—and to set about solving it.

The reaction of the South American Governments and business communities to these policies is in my opinion profoundly significant. In the 10 South American capitals whence I have just returned we found general receptiveness to our belief that if vigorously and energetically pursued by our Government these policies will meet the need that exists in this hemisphere. Latin Americans are clear and intensely realistic thinkers, and I found everywhere a willingness to face their problems squarely and analyze them with commendable courage. Our sister republics are not waiting passively for us or for anyone else to come and solve their problems for them. The other members of this American family look to us for economic policies and conditions of trade which fully protect our own interests but which are stable, dependable, and generous. They look to us as a source of capital on sound terms and conditions. They are anxious to participate with us in programs of technical assistance that will pool and extend our common resources in that field. They agree with us that the 20th-century private businessman, whatever may be his nationality, can do

more for this hemisphere than can all our governments combined, and that he deserves our support.

The great question mark that I found everywhere was not as to the adequacy of these policies but as to how we will apply them. These policies require self-restraint and some sacrifice from us. They will prove more controversial here at home than programs whose only significance is their dollar cost. These policies are aimed squarely at the basic needs of Latin America—stable and expanding markets, access to sound development loans, technical assistance. Their effect in this hemisphere can be tremendous. If we are loyal to them, if we apply them vigorously and generously, we will have done our part. With these assurances from us any American State that is re-

solved to combat inflation through sound fiscal and monetary policies, and to clear the way for an enlightened private enterprise, can reasonably expect to make steady progress toward the goal to which I have so often referred. I am confident that the governments and the peoples of this hemisphere are disposed to adopt that course and to pursue it steadfastly. This conviction leads me to submit that, if we as a people and we as a Government determine that these undertakings which we propose to make to Americans everywhere shall be fairly and generously fulfilled, then truly we stand in this hemisphere on the threshold of an era of great progress which will make of our lands a better inheritance for our children and will earn for us the gratitude of future generations.

The Communist Conspiracy in Guatemala

*Statement by John E. Peurifoy
Ambassador Designate to Thailand¹*

Let me say that I am deeply and sincerely pleased at the opportunity to testify before your committee. I believe that the Communist attempt to seize Guatemala, and particularly their reversal last June, is one of the most dramatic episodes that has taken place in a long and tremendously costly ideological struggle that has engulfed us since the end of World War II. As several witnesses commented, we have seen one free people after another disappear behind the Iron Curtain. Last June in Guatemala, for the first time one of them returned. The revolution led by Col. Carlos Castillo Armas demonstrates what a few courageous, determined, and dedicated persons can

accomplish even in the face of the organized might and ruthlessness of a police state.

Before beginning my testimony, I would like to take this opportunity to explode a popular and flattering myth regarding the part that I personally played in the revolution led by Colonel Castillo. My role in Guatemala prior to the revolution was strictly that of a diplomatic observer: to inform my Government regarding events there and, when requested to do so, to advise the responsible officials in the Department of State on policy matters concerning Guatemala. The first and only active role that I played in the events last June was to lend my good offices to assist in negotiating the truce between the forces of Colonel Castillo and the military junta that was established in Guatemala after President Arbenz resigned. And even this role, Mr. Chairman, was undertaken only at the request of the junta. The revolution that overthrew the Arbenz government was engineered and instigated by those people in Guatemala who rebelled against the policies and ruthless

¹Made before the Subcommittee on Latin America of the House Select Committee on Communist Aggression on Oct. 8. Mr. Peurifoy was Ambassador to Guatemala from Oct. 5, 1953, to Sept. 15, 1954.

For a documentary study on *Intervention of International Communism in Guatemala*, see Department of State publication 5556, for sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., 35 cents.

oppression of the Communist-controlled government.

It is my understanding, Mr. Chairman, that the purpose of your hearings is to determine:

1. Whether or not the government of President Arbenz was controlled and dominated by Communists.
2. Whether or not the Communists who dominated Guatemala were in turn directed from the Kremlin.
3. Whether or not the Communists from Guatemala actively intervened in the internal affairs of neighboring Latin American Republics.
4. Whether or not this Communist conspiracy which centered in Guatemala represented a menace to the security of the United States.

My answer to all four of those questions is an unequivocal "yes."

The Arbenz government, beyond any question, was controlled and dominated by Communists. Those Communists were directed from Moscow. The Guatemalan Government and the Communist leaders of that country did continuously and actively intervene in the internal affairs of neighboring countries in an effort to create disorder and overthrow established governments. And the Communist conspiracy in Guatemala did represent a very real and very serious menace to the security of the United States.

And with your permission, Mr. Chairman, I would like to add a fifth point; that menace still continues in Latin America. The Red conspiracy in Latin America has not been completely crushed. The loss of Guatemala represents a serious setback to the Kremlin, not a final defeat. As President Castillo pointed out in a statement before your committee, the democratic forces have merely won the first battle in a long war.

Of course it is true that the seriousness of the threat to our security has been greatly diminished since Colonel Castillo's successful revolution. Nevertheless, as long as this conspiracy is active—and I fear that will be for many years to come—the menace will continue to be a very real one in this hemisphere.

That is the reason why I think your committee is rendering a very substantial service to the American people in holding these hearings. Your committee is alerting the public to the danger to us represented by Moscow's program of aggression in Latin America. As you know, Mr. Chairman,

it is exceedingly difficult for our Government to formulate effective policies to combat a situation as serious as this one without the support of a well-informed public.

I believe that these hearings will not only be invaluable to Congress in evaluating legislative proposals concerning Latin America but that they will also greatly assist the executive branch by mobilizing informed public opinion.

Now, with your permission, I should like to elaborate briefly on the four points summarized above.

Communist Control of Arbenz Government

I believe that an incident which occurred shortly before I became Ambassador to Guatemala illustrates conclusively the fact that the government was under the complete domination of the Communists. One of the principal programs of the Communist Party in Guatemala was the agrarian reform, which they used as a weapon to gain political control over the farmworkers and the landless peasants. I understand that an officer of the Department of State may testify before your committee at a later date and will be prepared to give you a more detailed discussion of the agrarian reform law. For the purpose of my testimony, it is sufficient to state that under the agrarian reform law President Arbenz was the final arbiter of any and all disputes concerning the expropriation of land and its redistribution among the peasants. Owners of expropriated land were denied the right of appeals to the courts. Nevertheless, one Guatemalan landowner did appeal. And on February 6, 1953, the Supreme Court of Guatemala rocked the government and particularly the Communist Party by announcing, as a result of a 4-1 vote, that it would hear the landowner's appeal.

The decision was immediately and angrily denounced by the Communists, who charged that it was in violation of that section of the law denying the right of such appeal. Carlos Manuel Pellecer, Victor Manuel Gutierrez, José Manuel Fortuny, and other Communist leaders demanded that the court be impeached. The next day a resolution was submitted to the Congress by a Communist deputy, was immediately passed, and the entire court was impeached. New judges were quickly appointed, including the one who had voted against granting the hearings, the decision was hastily reconsidered by the new court, and the owner was denied the right of appeal.

Mr. Chairman, I submit to this committee that, when the Communist Party can demand and get the dismissal of a Supreme Court of a country, then the Communist Party, for all practical purposes, controls the government of that country.

This, however, is only one illustration of the degree of control that the Communists exercised over the government of Guatemala during the regimes of Juan José Arevalo and Jacobo Arbenz.

The facts of Communist penetration of the Guatemala Government and of the political, economic, and social life of the nation are well known to your committee. It is hardly necessary for me to recall the salient features—that of the 56 members of the Guatemalan Congress 51 were members of the “national front” supporting Arbenz and dominated by its Communist members; that principal Government agencies in agriculture, social security, propaganda and public information, education, and labor were in the direct hands of the Communist Party; that the labor organization of the country was entirely dominated by Communist-controlled unions affiliated with the Communist Western Hemisphere labor arm, the CTAL, and with the worldwide Soviet labor instrument, the WFTU. In addition, the press, radio, and public forum were increasingly warped into tools of Communist propaganda and relentlessly being closed to anti-Communist patriotic Guatemalans. The Guatemalan delegates to international organizations such as the United Nations, the Organization of American States, and the numerous regional and functional agencies of international cooperation which have been set up to aid the worldwide cause of peace were mere spokesmen for Soviet aggression and deception.

Part of Kremlin Strategy

This Communist penetration in Guatemala was the most striking example of the Kremlin's strategy in Latin America. Busy with power expansion into Europe and Asia, the Red rulers of Russia have long pushed their conspiracy in Latin America as a diversionary tactic which, while showing no immediate gain of territory under their domination, would at least weaken and harass our defenses. By creating a beachhead within our own zone of vital security, from which sabotage and subversion could be achieved against us and our neighbors, the Kremlin aimed at promoting anarchy within the Western Hemisphere;

they aimed at demoralizing this hemisphere by breaking its unity against Communist aggression and throwing the inter-American system into a state of confusion and dispute. They sought to divert Latin American attention from their depredations and crimes in Europe and Asia by pushing forward Spanish-speaking front men who, in native accents, accused the United States of the aggressions and crimes which the Soviet itself was actually performing.

The Communists in Guatemala were working for these Soviet aims under consistent and disciplined Soviet control. This control was exercised directly through the Communist Party itself. Seven of the 11 members of the Party's political committee are known to have visited the Soviet Union, 6 of them having made trips in the past 2 years. José Manuel Fortuny, the Party's Secretary General, took his most recent trip to Moscow from November 5, 1953, to January 12, 1954. The Party's leaders in labor unions, agrarian unions, and teacher unions all visited the Soviet Union in recent times, at least within the past 2 years, as did also leaders of Communist-front organizations such as the youth organization, the women's organization, and the university students' front.

The effectiveness of the training and instruction given to the Guatemalan Communists while in the Soviet Union was immediately manifest in the close integration of the Communist institutions in Guatemala with Soviet policy. No case of Soviet direction was more clear than what occurred after the return of Fortuny last January. A press and propaganda campaign, stirring alarm over resistance of anti-Communists to the Arbenz regime, was immediately cranked up in the endeavor to prepare public opinion for the blow to fall. Then, at the end of January 1954, the dramatic announcement was made of the uncovering of a subversive “plot,” with the sinister note of foreign intervention, linking the United States by innuendo as “the country of the North” from which direction and aid were allegedly being furnished the “plotters.”

This set the stage for wholesale arrests of anti-Communist citizens and for subsequent imprisonment, torture, and even murder. Many who were later released, beaten and broken, were pushed across the frontiers into Mexico and Honduras by the vicious truncheon-wielding police. These victims of Communist suppression comprised outstanding leaders in the free labor movement, the

independent press, radio commentators, and the decent citizenry who did not bow down to a Communist state ruled by Arbenz. Your committee is well aware that these tactics of brutal suppression and terrorization of the opposition are characteristically the last blow of communism in a country outside of the Soviet Union before complete seizure of power.

Extensive Travels of Guatemalan Communists

The contacts between the Guatemalan Communist Party and the international Communist movement were easily maintained through travel other than to Moscow. Guatemalan Communist labor leaders, for instance, affiliated with and working for the Soviet international labor organization, traveled to the WFTU headquarters in the Soviet sector of Vienna in Eastern Europe and made lengthy visits to the Communist centers in Budapest and Bucharest, under the guise of attendance at annual conventions of international Communist labor organizations. The youth organization, the "Alliance of Democratic Youth of Guatemala," affiliated with the World Federation of Democratic Youth with headquarters in Bucharest, Rumania, sent its leaders behind the Iron Curtain each year to attend and receive instructions at these Soviet congresses.

The women's organization, the "Guatemalan Women's Alliance," affiliated with the International Federation of Democratic Women, had headquarters in the Soviet sector of Berlin. The student group, "The Democratic University Front," affiliated with the International Student Unions with headquarters in Prague, Czechoslovakia, sent its delegates to these student meetings for their dose of Communist indoctrination and organization. The phony peace front, "The National Peace Committee," affiliated with the World Peace Council, also with headquarters in Communist Czechoslovakia, made ample use of the various Soviet-sponsored so-called "Peace Conferences" held in Europe and Asia, as a means of orientation, instruction, and indoctrination of Guatemalan Communists traveling as delegates to these affairs.

I have for the committee's attention a chart indicating travel back and forth to the Soviet Union by principal Guatemalan Communists in recent years.²

² Not printed.

No one knowing the complexity of operating a large political movement on an international scale can observe the cohesion which the Communist organizations in Guatemala displayed with their international Communist headquarters without realizing that such would be impossible without the most efficient and rapid system of communications, instruction, and directives. Frequent travels to Moscow, useful and necessary though they are for training and indoctrination, are hardly sufficient to assure simultaneous action of all cogs in a worldwide machine. This system requires communications, and these we know were regularly transmitted by courier, radio, and cable. The presence of the Soviet Embassy in neighboring Mexico kept open a channel of communications, enjoying the privilege of diplomatic immunity and confidential codes; and it was no accident that the two principal Guatemalan representatives in Mexico were both identifiable Communists, Ambassador Alvarado Fuentes and Consul General Pinto Usaga.

The Soviet itself did not plant its own diplomatic mission in Guatemala, as this would have been too obvious a link between the Guatemalan Communists, traitors to their country, and the great Soviet fatherland whose agents they had become. Just as the Guatemalan Communist Party did not disclose itself under its true name until 1951, preferring the security of a veiled operation within other parties, so the Soviet itself did not show its hand openly but operated through satellite missions, commercial travelers, and its own traveling officials, such as the Commercial Attaché of the Embassy in Mexico City.

Threat to Guatemala's Neighbors

The threat of Soviet communism, which is dedicated to expansion, conquest, and ultimate world revolution, was therefore not directed against Guatemala alone but to its peaceful and vulnerable neighbors. The Guatemalan people were the first nation in the hemisphere to suffer Communist control, but others were marked for conquest. The Guatemalan Government, as a tool of Soviet policy, aimed at disruption of the peace of the area by cynically maintaining a sustained campaign to undermine their governments.

Your committee has already heard testimony to the effect that the principal Communists of Cen-

tral America had received refuge, aid, and comfort in Guatemala. Many of them had even been rewarded with government jobs. These foreign agents of communism were thus able to use Guatemala as a base for their operations against their home countries. They were assisted in their subversive activities by scores of Guatemalan Communists and many Spanish Communists who were given visas to Guatemala during the early years of President Arevalo's regime. The increasing flow of propaganda material and trained agitators from Guatemala into the neighboring countries of El Salvador, Honduras, and Nicaragua became so overt that each of these governments, at various times, found it necessary to close their borders to Guatemalan travelers and to invoke rigid restrictions on all travel. This committee will be interested in these samples of Communist propaganda, printed in Guatemala and freely circulated in Central America. I am glad to submit these copies.

One of the most blatant examples of intervention by Guatemalan Communists in the affairs of neighboring republics was the strike which paralyzed Honduras for 8 weeks last spring. The success of their efforts came to startled public attention on May 1, 1954, when a general strike broke out in the northern area of the country and continued for a period of 8 weeks. There had been no previous labor disturbances in Honduras, no negotiations for contracts pending, and no rejections of workers' petitions. The duration of the strike would have been impossible without substantial help from abroad.

There is ample evidence that the strike was planned, instigated, and directed from Guatemala and was undoubtedly intended to unseat the Honduran Government. Help to the strikers was channeled through Guatemala and consisted not only of guidance and instructions but surely of the material aid publicly promised by the Communist-dominated Guatemalan National Federation of Labor, for a minimum calculation of the cost of the strike, involving as many as 44,000 workers over a period up to 8 weeks, would indicate it to be not less than three-quarters of a million dollars. No such sums of money were ever collected among the strikers in Honduras and could only have come from a foreign power. The Honduran Government, which had seized a Guatemalan military plane which flew into the northern

area of the country without authorization a month before the strike, found reason to expel three Guatemalan honorary consuls who had been appointed to small towns in the strike zone only a few months before. The damage to the economy of Honduras was very considerable and was clearly a part of the Communist plan to disrupt Central America.

Arms Shipment in May 1954

The jars and jolts to Guatemala's neighbors in Central America through strikes, political agitation, and subversion were evidences of the growing Communist threat, but it was during the critical period of the spring of 1954 that the Soviet made its big stab to solidify its strength in Guatemala. This was the shipment of arms on the S. S. *Alfhem*, which came into Puerto Barrios on May 15, 1954.³ The cargo manifest was fraudulent, listing as glassware and laboratory equipment some 2,000 tons of modern arms for the Arbenz government, packed in more than 15,000 cases. The cargo, which was of Czech origin, had left the Communist port of Stettin, Poland, about 3 weeks before and pursued a zigzag course across the Atlantic, giving false destinations three times en route.

The Guatemalan armed forces were not without arms, and their numbers were already at least equal and probably superior to the total armed forces of the three immediate neighbors, El Salvador, Honduras, and Nicaragua. The Soviet primarily intended to drive a wedge into the middle of this continent. The four Central American Governments, Honduras, El Salvador, Nicaragua, and Costa Rica, all communicated to the Department of State their request for joint measures against the introduction of further armed force into the area. Our Government was moving rapidly to present this threat to all members of the Organization of American States, for action by the inter-American system, when the movement by Col. Castillo Armas in late June 1954 overthrew the Communist government which had acquired the arms.

How thoroughly the Arbenz government was following the dictates of the Soviet Union was clearly shown during this crisis in the incident of the nonaggression pacts. At a moment when the alarm of Guatemala's neighbors was highest over

³ BULLETIN of June 7, 1954, p. 873.

the *Alfhem* shipment, the Guatemalan Foreign Minister ostentatiously sent cables to the Governments of Honduras and El Salvador, protesting friendship and offering to sign treaties of nonaggression with them. The very term used, "nonaggression pact," was a giveaway of the inspiration whence this maneuver came. It is a Soviet term, unfamiliar to Central American diplomacy and almost unheard of in the relations of our hemisphere, which has a long and honored history of peaceful settlement of disputes by the machinery set up in our inter-American system. The nonaggression pact idea has repeatedly been used as a tactic of deception. Indeed, if we could write an accurate dictionary definition of the term "nonaggression pact," it would be "(a) Agreement between Stalin and Hitler on August 23, 1939, just before outbreak of World War II which paved way for Nazi attack and was later used to conceal preparation for war between Russia and Germany; (b) Any similar agreement, apparently for peaceful purposes but concealing intent to make war." Guatemala's smaller neighbors were not deceived and rejected the invitation, reminding the Guatemalan Government that no need for such a pact exists between peace-loving neighbors. Indeed, Honduras invited Guatemala to show its peaceful purposes by ceasing to support the strike in northern Honduras.

The Guatemalan Communists also planned high-level infiltration of all Central America, but in this adventure their plans were too ambitious and failed.

New Central American Organization

We in the United States are always so conscious of our own mistakes, Mr. Chairman—and I might add particularly those mistakes in the fields of foreign affairs—that it is rather comforting to note that the other side sometimes makes their mistakes too. One such incident involved the Organization of Central American States, which is generally referred to as ODECA. Such an organization had been discussed for generations among the Central American republics. In 1951 the Communist-oriented Government of Guatemala, anxious to extend its influence in Central America, seized the initiative and sent proposals to the Governments of El Salvador, Honduras, Nicaragua, and Costa Rica that a conference be held to lay plans to form such an organization. The confer-

ence was held at San Salvador, and a charter of the organization was adopted. An interim committee was set up. A subsequent meeting to draft final plans was scheduled in Guatemala in the latter part of 1952.

However, suspicion developed that the Communists of Guatemala planned to use the new organization as an additional vehicle for extending their influence into the affairs of neighboring Central American republics. Shortly before the meeting in Guatemala City was to be held, the Government of El Salvador became so incensed at the activities of Guatemalan Communists agitating within that country that they closed the borders, rounded up more than 1,500 subversive suspects—many of them Guatemalan nationals—and expelled them from the country. Then the Government of El Salvador notified the other members of ODECA that it proposed to submit a resolution at the conference in Guatemala City demanding investigation of communism in Central America and the adoption of measures by all five Central American countries to counteract this menace.

This boomerang of Communist plans was exceedingly embarrassing to the Arbenz government, for the organization Arbenz had initiated in an effort to extend Communist influence was threatening to go into reverse and become a vehicle to combat communism. The Arbenz government twice postponed the proposed conference in Guatemala City and exerted the strongest diplomatic pressure on El Salvador not to submit its proposed resolution. When these efforts failed and El Salvador stood firm in its intent, Guatemala finally withdrew from ODECA, on April 1, 1953, brazenly charging its neighbors with "aggression." This is another typical Soviet tactic, to accuse the peaceful victims of Communist schemes of the very crime which the Communist aggressors are about to commit against them.

To attract as much attention as possible, the Guatemalan Foreign Minister sent a message to the Security Council of the United Nations repeating the same charges. He did not, however, ask for any action, which was in itself confession that the charges lacked proof and that the forum of the United Nations was used only for propaganda purposes. Since it was obvious that only one country, Guatemala, was the source of the Communist problem in the area, the Arbenz regime could not tolerate that its activities against its

neighbors be placed under the spotlight of an international meeting. And it had one other equally serious motivation, that the Organization of Central American States, a new and valiant effort by these small countries themselves to integrate their economies and lift the living standards of their people, should collapse and not become a bulwark against Communist advances in the area.

Threat to U.S. Security

I need hardly refer to the menace of this Soviet attempt to win Central America as aimed at our own vital interests and security; this is self-evident, for geography alone supplies the reason. Central America lies almost at our southern borders, no more than 3 hours' flying time by modern warplanes from the Gulf ports and even nearer to our greatest strategic installation anywhere in the world, the Panama Canal. If any part of this area should fall under Soviet power, it would shake the foundations of our defenses. The Soviets know that. They were willing to pay a very high price in funds, manpower, organization, propaganda, and subversive skills to gain a base in Guatemala. And we know that the hardheaded, practical men of the Kremlin dedicate their best efforts on objectives which strike closest to the United States. For if we should weaken and succumb, the road would lie open to their domination of the whole world.

Thus, the struggle of the Guatemalan people to throw off the Communist control was as much a struggle for the safety of Guatemala's neighbors, and ourselves, as it was to regain their own liberties.

In conclusion, Mr. Chairman, let me state that the menace of communism in Guatemala was courageously fought by the Guatemalan people themselves, always against the superior odds which a police state has over the decent, patriotic citizen. Communist power was broken by the Guatemalans alone, and their deeds of heroic sacrifice deserve and will always receive the admiration and applause of our own people. They fought the battle which is the common battle of all free nations against Communist oppression, and they won the victory themselves.

President Eisenhower and Secretary Dulles have both publicly pledged our support to the new Government of Col. Castillo Armas and our aid

to the Guatemalan people. It is my earnest hope and confidence that all feasible means to extend this aid will be promptly developed, so that Guatemala may resume its place as a prosperous and progressive member in the family of free nations.

U.S. Aid to Guatemala

Press release 618 dated October 29

On October 30 Norman Armour, Ambassador to Guatemala, delivered the following aide memoire to the President of Guatemala, Carlos Castillo Armas:

The American Ambassador informed His Excellency that the following aid is being made available by the United States to the Government and people of Guatemala for the present fiscal year: Roosevelt Hospital \$500,000; Inter-American Highway \$1,425,000; general purposes \$3,200,000; technical assistance \$1,300,000; total \$6,425,000.

The Ambassador recalled that the Government of Guatemala is to make matching contributions of its own towards some of the projects for which the aid is to be used and stated that he and the officials of the FOA would be pleased to discuss promptly with the Government of Guatemala procedures for utilization of the aids.

Current Legislation on Foreign Policy: 83d Congress, 2d Session

- Study of Overseas Administrative Personnel Problems. Hearing before a Subcommittee of the House Committee on Government Operations. March 16, 1954. 21 pp.
- Report on Audit of the Institute of Inter-American Affairs for the Fiscal Year Ended June 30, 1953, with Letter of Transmittal from the Acting Comptroller General of the United States. H. Doc. 399, May 20, 1954. 26 pp.
- Review of the United Nations Charter. Hearing before a Subcommittee of the Senate Committee on Foreign Relations on Proposals To Amend or Otherwise Modify Existing International Peace and Security Organizations, Including the United Nations. Part 6, Des Moines, Iowa, June 19, 1954. 156 pp.
- Strategy and Tactics of World Communism. Hearings before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Committee on the Judiciary. Part 3, July 1 and 8, 1954. 40 pp.
- Return of Confiscated Property. Hearings before a Subcommittee of the Senate Committee on the Judiciary on S. 3423 To Amend the Trading with the Enemy Act. July 1 and 2, 1954. 248 pp.

Soviet Propaganda and International Tension

by John Moors Cabot

*Ambassador to Sweden*¹

In democracies the people determine the broad lines of foreign policy. Any organization which helps to keep the people informed about what is going on in other countries is therefore doing something very necessary. I applaud the work of the Swedish-American Association of Borås because it is doing that needed work.

We know that in our generation democracy has been challenged both on the right and on the left. Those who would destroy democracy are forever trying to promote misunderstandings within democracies and between democracies. As the representative of another democracy, a traditional friend of Sweden, I should like to discuss a problem which faces all free nations. You will rightly recognize what I say as a plea for my country's viewpoint. You may well not agree with me, but I hope that you will think over the case I present carefully.

"Warmongering Imperialists"

The biggest newspaper chain in the world is not in the United States, although one edition is published in New York. Other newspapers of the chain are published practically all over the world; I believe you have a couple here in Sweden. The head office of the chain is in Moscow, and it keeps a very tight rein on all of the member newspapers.

Now this newspaper chain talks continually about a lot of things we should like to see in this world, such as peace and coexistence and better living conditions for the masses. It says that all these things would be possible if only the ruling

circles in the United States, together with their reactionary stooges in other countries, were not greedy, warmongering imperialists. Incidentally, until recently the chain insisted that among the most reactionary of these stooges were the Social Democratic parties in Europe, but there has apparently been an agonizing—and doubtless temporary—reappraisal in this regard.

This charge of imperialism and warmongering seems pretty serious, and it doesn't refer to the dead past when the United States and many other democracies showed imperialistic tendencies. It refers to the recent past and the present. If it were justified, the record should show brilliant successes for such a policy backed by our great power and wealth. I think when these newspapers charge us with imperialism they might explain why over the years it has increasingly been the miserable failure the actual record shows.

To the north of us lies Canada, a country of immense natural wealth still largely undeveloped despite the fabulous progress of recent years. Twice in the last 40 years Canada has loyally sent her forces to aid the mother country, Great Britain, in desperate struggles to preserve freedom in Europe. By so doing, Canada clearly exposed a 3,000-mile frontier to such imperialist ambitions as the United States might manifest. Was it strange that Canada didn't send a single regiment to the frontier as a precautionary measure in either World War? The curious fact is that, if we have our family differences with Canada, I frankly cannot imagine either nation worrying about possible aggression from the other.

To the south of the United States is Mexico. Our relations with Mexico have not always been happy—we fought a war in 1846-48 and have had recurrent troubles until recently.

¹ Address made before the Swedish-American Association at Borås, Sweden, on Sept. 30.

We continue to have our differences with Mexico, but I think an event which I personally witnessed is typical of our present relations. In October 1953 the Presidents of Mexico and the United States together dedicated Falcón Dam on the Rio Grande—the Mexican-American border. Could it be imperialism to build a dam in cooperation with a neighboring nation when the money might so easily have been spent for military adventures? Could it be that, despite the pretexts an imperialistic nation might have used during Mexico's prolonged civil war in 1911-20 and again when our oil properties were expropriated in 1938, we actually preferred to cooperate with a weaker neighbor?

In the sparkling Caribbean area, to the south of the United States, are a number of small republics—just as there used to be some small republics across the Baltic Sea. Historically, these Caribbean republics have tended to be poor, weak, and disorganized. What tempting morsels for imperialist ambitions! In one, Panama, is our greatest strategic asset, the Panama Canal, which we hold under a perpetual treaty. Panama has no army, yet in 1936 and again in 1953 it asked us to revise certain treaty provisions regarding the canal which it did not consider fair. We failed to use the Panamanian demands as an excuse to gobble Panama—in fact I doubt that the Panamanians would have made the demands if they had had certain other neighbors. Instead, we sat down with the Panamanians to work out revised agreements.

Lest anyone think the governments of the Caribbean republics are stooges of the United States, let me mention a couple of personal episodes. In May 1953, when I was Assistant Secretary for Inter-American Affairs, one Caribbean republic put out a story that I was consorting with Communist agents to overthrow its government. It happens the government was badly misinformed, but do you recall any case in which any newspaper in the chain to which I referred earlier made any such accusation against its head officers?

False Charges in Guatemala

In 1953 we became increasingly concerned that the then Government of Guatemala had succumbed to the blandishments of this newspaper chain. When I strove mildly to point out the danger, the chain accused me of favoring the inter-

ests of the United Fruit Company, which had important interests in Guatemala, because I was a big stockholder in it. Incidentally, the Swedish newspapers in the chain repeat this story from time to time; you will probably find it in tomorrow's editions if you look. The fact is that I have never had a share of United Fruit stock in my life and I have no other personal reason to favor the United Fruit. The same accusation has been made with equal untruth about Secretary Dulles. All of this was merely a part of the campaign the Communist marionettes in Guatemala put on against the United States; I really don't recall any case in history where a small nation has put on such a provocative campaign against a powerful neighbor, whether or not the neighbor was imperialistic. Fortunately, the people of Guatemala have now taken care of the situation there.

In the Western Hemisphere our sister republics are going through a period of amazing, fruitful development—a period similar to that through which the United States went in the past century. Even today, although their combined military strength is a small fraction of ours, their economic resources are already substantial and are developing rapidly. What a luscious morsel for imperialist greed!

How did the United States react to these unparalleled opportunities? In 1823 we proclaimed that we would not tolerate any effort of any European power to oppress or control the destiny of any American republic which had declared its independence. During the 19th century a series of attempts were made to break this Monroe Doctrine, particularly when we were distracted, as during our Civil War. We thwarted them—sometimes by a show of military force—and every American nation which was independent in 1823 is independent today.

Inter-American Cooperation

Far from seeking to dominate our sister republics, we have been seeking in a series of inter-American conferences since 1889 to build up a cooperative relationship with them. If the spirit of our relations is similar to that existing between the Scandinavian nations, I ask you to remember that the material factors—the military and economic power, the traditions, the language, and organizational stability—were very disparate in America. Europeans sometimes forget how much

our American experience in cooperative relationships contributed to the United Nations, and how the basic concept of NATO, that an attack on one is an attack on all, was first worked out by the American Republics. In the light of our long and honorable record of settling disputes in the Americas by peaceful means, it was really a bit annoying in the recent case of Guatemala to have inter-American action stopped by a veto in the Security Council, and then to have not only the chain of newspapers to which I have referred, but also many of our European friends, lecture us on our failure to protect the Guatemalan Government which had done everything in its power to harm us.

But for Europeans, American problems seem far away. Let us consider what the United States might have done in the Old World if it had acted in the imperialist tradition.

From 1914 to 1918 all of the great powers in Europe were engaged in a desperate war. To secure allies, each side dangled juicy offers before other nations, and a series of secret treaties were written describing how the booty was to be divided even before it was secured. In 1917 we entered the war. What did we demand of our prospective allies as the price of our entry? Nothing. Having contributed the winning margin in blood and treasure to our weary allies, what did we secure in the peace settlement? For ourselves, nothing—not an inch of territory, not even an economic asset. We tried at the peace table to uphold the principle that people have the right to determine under what government they wish to live. By the mandate system, we tried to circumscribe the old colonialism. We let others take these mandates, and took none ourselves—strange conduct for an allegedly imperialist nation.

At the end of World War I we had two million soldiers in Europe, and our war production was just beginning to roll. For years after the war Europe lay prostrate, requiring our help simply to live. Machiavelli would have rubbed his hands. We, however, disbanded our army, sponsored a series of disarmament agreements in which we made the greater sacrifices, and helped the European nations regain their feet. Strange to say, we haven't been hearing very much from the newspaper chain recently about the massive aid we extended to Russia to relieve famines on more than one occasion between the wars.

Lend-Lease in World War II

Despite the proverb that opportunity knocks but once at any man's door, the Second World War gave us an even better opportunity to promote our alleged imperialistic purposes. What did we do? We provided England, Russia, and other nations fighting aggression enormous quantities of goods to help them in their fight. We took such risks that we were ourselves attacked. To Russia alone we sent over \$10 billion of lend-lease equipment. What did we demand in return from the hard-pressed nations which we were aiding? Nothing. If the United States was an imperialist nation, its diplomacy was singularly inept.

At the end of World War II we again had a powerful army in Europe and incomparably the greatest fleet and air force in the world. We alone had the atom bomb. The Old World was again prostrate after 6 years of war. If ever a nation was in a position to promote imperialistic purposes, it was the United States in 1945.

What did we do? We again disbanded our army and air force and put our fleet in mothballs. We shipped hundreds of millions of dollars of relief supplies through UNRRA to Soviet Russia and other parts of Europe. We offered to share the secret of the atom bomb with other nations in return for their agreement that it should be placed under secure international control. If you look in any edition of the oft-mentioned newspaper chain, you might not realize that we were the first to propose a means of stopping atomic warfare, when we had the bomb and no one else did. At the same time we gave full independence to the Philippines and we offered it to Puerto Rico.

Marshall Plan Aid

The postwar prostration of Europe was such that it became doubtful that Europe could recover with its own resources. We again offered our help through the Marshall plan—and the offer originally included Soviet Russia, which rejected it. In the past 40 years we have poured some \$75 billion into Europe. We are supposed—and you don't have to read the newspaper chain to hear this—to be very materialistic, always chasing dollars. If one can get dollars by giving them away, wouldn't it be nice to know how it is done? This aid is also said to have promoted our economic imperialism. If so, we've got an awfully bad bar-

gain for what we have poured out—our total foreign investments are worth only a fraction as much as the aid, and we have secured no privileged markets or other economic concessions in return. We do think that what helps our friends generally helps us, but that is another matter.

Now I am sure I did not need to go into such detail to convince you that this newspaper chain's picture is—shall we say?—a bit distorted. Few people in Sweden or the United States take what it says seriously. But the shrill charges the newspaper chain wearisomely repeats have a curious way of turning up in the thinking of people who haven't the slightest sympathy with what the chain stands for. They turn up in the idea that this is just another struggle for power between two colossi, which is of concern to other countries primarily because the two may go to war and involve everyone else—this, although the record shows that our direct interests have seldom been involved in the cold war; that, as in World War II, we became involved because we felt that if other nations fell, our own security would ultimately be affected.

They turn up in the criticisms so often heard of foreign statesmen who in their own country's interest do or say something favorable for the United States. They turn up in the criticism of our atomic bomb tests, whereas those of others go unmentioned. Apparently our atomic bombs are even the only ones that affect the weather.

They turn up in attacks upon our conviction that the Chinese Communist regime is not peace loving—and developments in Korea did not silence them. They turn up in attacks on our efforts to promote an integrated system of defense forces in Western Europe, despite the fact that such forces would defend European homes rather than American interests. They turn up in the idea that it is provocative to sign a purely defensive pact in Southeast Asia against a clear menace of aggression.

They turn up particularly in wildly exaggerated ideas that any foreign nation which is or might be friendly in the face of common peril is untrustworthy, weak, greedy, corrupt, reactionary, vacil-

lating, rash, imperialistic, and anything else which may make it difficult for nations to cooperate for the common good.

This newspaper chain works skillfully on our own democratic mentalities, which tend to believe that where there is smoke there must be fire; that where there is a dispute, there must be right and wrong on both sides; that the truth must always be between extremes. When the newspaper chain makes up a story out of whole cloth and only ten percent of it is believed—or only ten percent of the people believe it—it is still that much ahead. When a democratic political leader or editor feels that he must attack a friendly foreign nation to show how objective he is, the newspaper chain has again profited.

I hope you will think deeply of the factors which are producing international misunderstanding today. I know that you here in Sweden justly pride yourselves on your ability to ascertain, amid all the sound and fury, what is really going on, but that is a quality which democratic nations need more than ever today. I hope particularly that all free nations will try to be understanding of each other and of each other's motives. The most powerful newspaper chain in the world is working overtime to sow suspicion, distrust, and disagreement between free nations. If those nations listen to this siren's voice and quarrel among themselves, it will be at sorry day for freedom everywhere.

Nuclear Explosions in U. S. S. R.

The Atomic Energy Commission announced on October 26 that there had been a series of detonations of nuclear explosives in Soviet territory. This series began in mid-September and has continued at intervals to the present. As is generally the case with nuclear detonations, these tests have resulted in some widespread fall-out of radioactive material, but insignificantly in the United States.

The United Nations and World Security

by David McK. Key

*Assistant Secretary for International Organization Affairs*¹

As we here in Washington join today with more than 7,000 other American communities and with the peoples of 80 nations in celebrating United Nations Day, we have a feeling of special closeness to the organization that was conceived in the dark days of the war. For it was in this city, in the seclusion and beauty of Dumbarton Oaks, that the Great Powers in 1944 committed themselves to the creation of the world organization to be. The representatives of those powers recognized the signs of victory through the clouds of war, and they realized that the responsibility for planning an organization for the maintenance of peace was in their hands. They acted accordingly. Had these men been unable to agree among themselves at Dumbarton Oaks, there would have been no basis for the founding conference to be held in San Francisco the following year.

But if we take pride in our special tie with the United Nations, let us be even more grateful that it has extended round the world. Let us be grateful that it binds us with many other countries, a number of whose diplomatic representatives are present here to share with us this celebration of the ninth anniversary of the coming into force of the United Nations Charter.

In addition to welcoming these distinguished diplomatic representatives, we are honored in having with us Mr. Morehead Patterson, National Chairman of the United States Committee for United Nations Day. I also wish to congratulate Mr. Edgar Morris, Chairman of the Washington Committee, and thank him and the other members of the Committee for their able efforts in organizing this celebration. And to all of you I

am privileged to bring the warm greetings of the Secretary of State.

I think we would do well to consider for a few minutes why we assemble here to observe United Nations Day. What is the significance of this public gathering and of countless others like it in every country of the world?

In the first place, we pay tribute to man's successful efforts to agree to organize world society *against* war and *for* the creation of conditions of peace and well-being. In the second place, we mark 9 years of growth and progress of the organization established to accomplish these purposes and its evolution toward a more effective instrument of international security and world order. In the third place, we indicate our faith in the future of the United Nations and our determination to make it serve ever better the interests of peace.

Purpose of United Nations Day

The United Nations can have little effect and influence in the world beyond the faith and loyalty which its member nations and the citizens of these member nations give to it. Therefore, it is most fitting that one day a year be set aside for such observances as these in which we can reaffirm the unity of mankind's need for the United Nations. This common agreement and support is too often lost sight of during the day-to-day operations of the organization when the task of reconciling opposing views of member states on crucial world issues sometimes makes it appear that the United Nations is itself the cause of strife and disunity.

I think it is correct to say that the importance which the public attaches to the deliberations, recommendations, and actions of the United Na-

¹ Remarks made at the Washington, D. C., United Nations Day observance on Oct. 24.

United Nations Day

*Statement by Secretary Dulles*¹

Sunday [October 24] the world is celebrating the ninth anniversary of the coming into force of the charter of the United Nations. The 60 members of the United Nations, and several nonmember nations, are observing this anniversary.

In the United States alone, 7,000 cities, towns, and villages are holding celebrations.

A spontaneous bond of this kind is symbolic of the vitality of the United Nations. It can only arise from a deep conviction that the United Nations is a living force throughout the world.

The charter is a great landmark in the understanding of the nature of peace. It recognizes that peace is far from being a passive concept. It recognizes that peace is a call to action. To attain it requires faith and comradeship among the nations, great courage and great sacrifice.

That is the spirit of the charter, and that is the spirit in which peace must be sought without ceasing.

I believe that the peace we all long for is an attainable goal. I believe that the United Nations can greatly help to realize that dream of peace. Thus the United Nations justifies our faith and our support.

¹ Issued on Oct. 23 (press release 603 dated Oct. 22).

tions is yearly becoming greater. As the problems facing the world community have become more critical, owing in large part to developments in atomic energy, the world has looked more and more to the United Nations for security and for long-range solutions designed to ease international tensions. This public concern and impatience is basically a healthy sign and an indication of the vitality of the organization. If during its first 9 years the United Nations had become nothing more than a figurehead or symbol of man's good intentions, public support and interest would long ago have abandoned it. The United Nations has, however, increased in stature during these years and by its action has earned increased public confidence.

A record number of communities in the United States are observing United Nations Day this year. In this connection, it is gratifying to note that an analysis of United States public opinion polls and other indices of public sentiment indicate that

never in its history has the United Nations enjoyed the support of so large a proportion of the American public.

Value of Criticism

Perhaps I should also observe that there has at the same time been much outspoken and sometimes bitter criticism of the United Nations. This criticism does not cause me undue concern. In fact, criticism should be welcome since no organization or system which depends for its life on the understanding and support of the people can develop in a healthy and vigorous manner without the warnings and stimulation of vigorous opposition and criticism. If this is a sign of vitality, and I believe it is, we have no need to fear that the United Nations is in danger because of public criticism. On the contrary, we should be concerned if there were an absence of criticism, which would indicate public apathy.

Let us rededicate ourselves here to the basic proposition of the founders of the United Nations—namely, “to save succeeding generations from the scourge of war.” Only 4 days ago President Eisenhower, underlining the urgency which faces us in turning this proposition into a workable plan, stated that science has brought the world to a point where war does not present the possibility of defeat or victory but only the alternative in degrees of destruction. In other words, it is no longer the “scourge of war” but annihilation by war which we face. The world cannot again hazard recourse to war as a shortcut to peace. Our only rational alternative is to use peaceful means to establish international peace. This must be done by and through the United Nations, which the President has described as “man's best organized hope to substitute the conference table for the battlefield.”

In closing, I wish to pay tribute to the thousands of men and women, employees of the United Nations or of its respective member governments, whose lives are devoted to carrying forward the purposes of the United Nations and who, though scattered in many lands, are working in common under the United Nations Charter for the peace, security, and well-being of mankind. We who observe here today the founding of the United Nations owe them a continuing debt of gratitude.

Intensifying International Efforts To Aid Refugees

Statements by A. M. Ade Johnson

U.S. Representative to the General Assembly¹

U.S. ROLE IN REFUGEE RELIEF

U.S. delegation press release 1967 dated October 4

Today I have my first opportunity to speak before this group, and I would like to express it that I am highly gratified to be associated with the humanitarian work of the Third Committee. As one who has spent a good part of his life in various welfare causes, I feel proud to be one of you who are working in international fellowship—in the spirit of one for all and all for one—to help alleviate human distress.

Here in the United States virtually all of us are descendants of immigrants, and a goodly portion of our ancestors came to our shores as refugees. Some of them sought sanctuary from oppressive political systems, some sought a place where they could practice their religious beliefs freely, some sought homesteads and a higher standard of life. In a sense, the refugee problem has been with us in America since almost the first days of our nation. We are a nation of refugees. For this reason, among others, we have always been deeply attentive to the plight and aspirations of those seeking refuge.

Over the years, the American Government and the American people have played a conscientious part in the relief and resettlement of refugees. Statistics do not give more than a cold picture of our traditional concern, but they do reveal the extent to which the United States has participated in refugee and migration affairs in recent years. To various United Nations and intergovernmental agencies including UNRRA, my government pro-

vided more than \$3,161,000,000. In programs directly administered by the United States Government, more than \$68 million have been expended. More than \$900 million have been contributed to bilateral programs. And contributions from private organizations and individuals in the United States amount to \$1 billion 724 million since 1940. The total of these various programs relating to refugee aid is close to \$6 billion. I think that this is—and that you will agree that this is—some measure of contemporary American interest, so far as our interest can be measured in monetary terms.

As a descendant of an immigrant family, I have shared with other Americans an awareness of the events and circumstances that have caused peoples to seek better and freer lives in places of their own choosing. My work in the labor field has brought me even closer to the problems of this nature, and I was quite moved by the report we heard last Friday from Dr. van Heuven Goedhart.² The plight of so many thousands of uprooted and displaced persons in Europe and Asia which he depicts was noted by all, I am sure, with deep concern.

On behalf of my delegation I want to thank Dr. van Heuven Goedhart for his report, and particularly for his devotion to a vast and complicated task. Undeterred by acute difficulties, he has tackled his job with determination and, it is obvious, with a sense of personal obligation.

It is with satisfaction that my delegation takes note that the High Commissioner has continued his work in cooperation with a number of other

¹ Made in Committee III (Social, Humanitarian, and Cultural) on Oct. 4 and Oct. 12 and in plenary session on Oct. 21.

² Dr. G. J. van Heuven Goedhart, U.N. High Commissioner for Refugees, introduced his annual report (U.N. docs. A/2648, Add. 1 and Add. 2) on Oct. 1.

agencies concerned with different aspects of the refugee problem. Among these agencies are the International Labor Office, United Nations Educational, Scientific and Cultural Organization, the World Health Organization, the Council of Europe, the Inter-Governmental Committee for European Migration, the Organization for European Economic Council, the United States Escapee Program, and the many voluntary organizations in the field. The cooperation between the Office of the High Commissioner and the Inter-Governmental Committee for European Migration has been of the greatest importance in moving European refugees from Shanghai. It is essential that this close cooperation between the High Commissioner and the Migration Committee be continued. Our delegation notes with special satisfaction that in 1953 the Migration Committee assisted in the resettlement of 19,711 refugees, and has made provisions for moving another 19,800 refugees in 1954.

Dr. van Heuven Goedhart's report shows the importance of providing legal and political protection to refugees. This continuing responsibility may be technical and unspectacular in character, but it has a vital significance in the lives of many thousands of refugees throughout the world. It is a heavy responsibility, one which the High Commissioner has carried out conscientiously. Thousands—hundreds of thousands—of refugees, directly or indirectly, have received protection and assistance from the High Commissioner's office. Through the efforts of the High Commissioner and the cooperation of various non-governmental organizations, many of those people have found their way out of refugee camps to new homes. It is my view that Dr. van Heuven Goedhart has served with distinction.

Much Still To Be Done

Yet, as no one knows better than the High Commissioner, there is much work to be done.

It is now 36 years since the First World War, but today we are again confronted by the need of helping displaced victims of that conflict. Many of them are aging, and less able to help themselves than formerly. We also have tens of thousands of victims of the Second World War to think about—men, women, and children in Europe and Asia who, for whatever reasons, are seeking settlement outside the countries of their origins. As the High Commissioner has so graphically pointed out, some

of the families involved have been living as long as 8 or 9 years in various refugee camps, without certainty as to the future, and some, no doubt, with little hope. There are children in those camps who have known no other homes. Relatively few of these refugees are employed. This is a big and tragic problem and one for which all of us must feel a deep sense of responsibility and accept willingly the moral obligations to seek some kind of solution.

The principal problem before this committee is the new proposal of the High Commissioner concerning permanent solutions of the most difficult refugee cases. The Executive Branch of the United States Government has given careful consideration to the proposal of the High Commissioner, and our delegation had listened with deep interest to the further explanation given by the High Commissioner in his very inspiring statement last Friday afternoon.

The present emergency program of the High Commissioner is of great importance and of concern to the members of this committee. The United States Government concurs in the conviction of the High Commissioner that it is not enough merely to provide emergency relief to the most desperate cases in Shanghai and elsewhere important as this is from a humanitarian point of view. It is essential that permanent solutions be found at an early date for the other difficult cases, especially the 88,000 refugees now living in camps—the group whom the High Commissioner calls “the forgotten people.” On behalf of the United States Government our delegation endorses, in principle, the proposals of the High Commissioner for a program for these refugees.

Concerning the administrative aspects of the High Commissioner's activity, the United States Government has concluded that the establishment of two separate programs and two separate funds might lead to confusion on the part of governments, legislative bodies, and the public in our several countries. Our Government proposes therefore that the General Assembly authorize the High Commissioner to establish a single, combined fund. This fund, like the present United Nations Refugee Emergency Fund, would be financed by voluntary contributions from governments and private sources. The fund would be devoted primarily to the promotion of permanent solutions but would also include assistance to the most needy cases.

Text of Resolution Authorizing International Fund for Refugee Aid¹

U.N. doc. A/Resolution/203

The General Assembly,

Having considered the problems of refugees within the mandate of the United Nations High Commissioner for Refugees in the light of his report to the General Assembly at its ninth session,

Having noted with satisfaction the work accomplished for refugees,

Noting that, in spite of the efforts made, there is little hope that—at the present rate of repatriation, resettlement, or integration—a satisfactory solution to these problems will be reached within a reasonable period of time,

Considering that, while the ultimate responsibility for the refugees within the mandate of the High Commissioner falls in fact upon the countries of residence, certain of these countries have to face particularly heavy burdens as a result of their geographical situation, and some complementary aid has been shown to be necessary to accelerate the implementation of a programme for permanent solutions,

Recalling resolution 728 (VIII) of the General Assembly and resolution 549 (XVIII) of the Economic and Social Council,

Considering that the programme outlined in the report of the High Commissioner contains a number of constructive elements for an effective attempt at achieving a permanent solution to the problems of certain groups of the refugees who are the concern of the High Commissioner, having special regard to family groups,

1. *Authorizes* the High Commissioner, in accordance with his Statute, to undertake a programme designed to achieve permanent solutions within the period of his current mandate for the refugees included within the proposals in his report to the General Assembly at its ninth session (A/2648, chapter IV, section 4, and A/2648/Add.2, paragraphs 1 to 11);

2. *Requests* the Negotiating Committee for Extra-Budgetary Funds, in co-operation with the High

Commissioner, to negotiate with the Governments of Member and non-member States for voluntary contributions towards a fund based on the proposals of the High Commissioner (the amount to be determined by the High Commissioner's Advisory Committee at its next session), to be devoted principally to the promotion of permanent solutions, and also to permit emergency assistance to the most needy cases, such fund to incorporate the fund authorized by the General Assembly in resolution 538 B (VI);

3. *Authorizes* the High Commissioner to make appeals for funds for the purposes set forth in paragraph 2 above;

4. *Requests* the Economic and Social Council, not later than its nineteenth session and in the light of proposals to be submitted to it by the High Commissioner upon the advice of his Advisory Committee, either to establish an Executive Committee responsible for giving directives to the High Commissioner in carrying out his programme and for exercising the necessary controls in the use of funds allotted to the Office of the High Commissioner or to revise the terms of reference and composition of the Advisory Committee in order to enable it to carry out the same duties;

5. *Requests* the High Commissioner to prepare, for presentation to the inter-governmental body mentioned in paragraph 4 above, detailed proposals for projects designed to achieve permanent solutions, including plans for adequate financial or other contributions from sources within the countries of residence;

6. *Requests* the Governments concerned, in the negotiation of agreements with the High Commissioner for the projects for permanent solutions under this programme, to give assurances that they will assume full financial responsibility should any of the refugees within the scope of the programme still require assistance at the end of the stipulated period;

7. *Urges* Member and non-member States to co-operate with the High Commissioner to the fullest extent in this programme;

8. *Requests* the High Commissioner to include in his annual report a statement on the measures which he has taken under the terms of the present resolution.

¹ Sponsored by Australia, Belgium, Costa Rica, Ecuador, France, the Netherlands, Turkey, and the United States; approved by Committee III on Oct. 18 by a vote of 40-5 (Soviet bloc) - 10; adopted by the General Assembly on Oct. 21 by a vote of 44-5-8.

The main objective of a single, combined fund—or indeed, of any new program in the refugee field—should be to enable the United Nations to make one final effort to assist in finding solutions for the most difficult refugee cases. It has always been the position of the United States Govern-

ment, and it continues to be the position of our Government, that the primary responsibility for refugees must rest with the countries of asylum. Other countries, either through unilateral action or through contributions to international agencies, can help the countries of asylum temporarily in

caring for refugees on their soil and in repatriating or in resettling them, or in assimilating them into their own population. But the primary responsibility, the ultimate responsibility, must rest with the countries of asylum.

The High Commissioner has proposed a 5-year program by which the United Nations would assist the countries of asylum in finding permanent solutions for the refugees on their soil. It is our view that this concept of a 5-year program is essential to whatever plan the General Assembly may adopt. Our Government feels strongly that United Nations financial support for providing emergency assistance and for promoting permanent solutions should be limited to another 5-year period. This would not mean that some refugee problems would not remain after 5 years and that the work of the High Commissioner with regard to the legal and political protection of refugees might not be continued. This does mean, however, that the High Commissioner should do everything possible over the next 5 years to help find permanent solutions for all the refugees in question. This also means that the basic responsibility for refugees rests now, and will continue to rest, with the countries where the refugees reside. The High Commissioner should approach these countries in order to obtain their assurance that they will assume full financial responsibility at the end of the 5-year period should any of these refugees still require assistance.

Careful consideration would have to be given to the financing of such a program and to its administration. Only 16 governments and the Holy See have contributed to the United Nations Refugee Emergency Fund. Of these only 12 are members of the United Nations. Any program in the refugee field, to be really successful, must have a wider range of financial support. Any such program must also have adequate matching contributions from the countries of asylum. These are matters which will need to be weighed in establishing realistic financial plans for any such program.

The Assembly should also make provision, if it wishes to accept the High Commissioner's proposals, for greater governmental participation in the planning and budgeting of the program. This would provide the High Commissioner with assistance in the proper management and financing of the kind of combined program which I have been

outlining. Greater governmental authority could be achieved either by expanding the terms of reference of the present Advisory Committee to the High Commissioner or by establishing a new executive committee representing the governments primarily concerned in the financing and administration of the combined program.

U.S. Proposals

To recapitulate, Mr. Chairman, these are the points which the United States feels are essential for the establishment of the new program:

(1) The program should be designed to achieve within a 5-year period permanent solutions for the refugees included in the High Commissioner's proposals;

(2) There should be only one fund, which would be devoted primarily to the promotion of permanent solutions but which would include emergency assistance to the most needy cases;

(3) The basic responsibility for the refugees must continue to rest with the countries of asylum, and, in addition, the High Commissioner should approach these countries to obtain assurances that they will assume full financial responsibility should any of these refugees still require assistance at the end of the 5-year period;

(4) Provision should be made for greater governmental participation in the planning and budgeting of the High Commissioner's work;

(5) The program must have a wide range of financial support, including adequate matching contributions from the countries of asylum.

If there is a satisfactory resolution of these points, the Executive Branch of our Government will request the Congress for an authorization and an appropriation for a contribution to the program. Our delegation must make clear, however, that its general support for such a combined program of 5 years' duration cannot be construed as a commitment to provide funds to the program, and the delegation cannot, of course, give any assurance at this time of what action the Congress will take.

The final decision of the United States Government on a possible contribution to a new, combined program will be influenced by the extent to which other governments are prepared to make funds available for this program. It will be influenced also by the extent to which governments of the

countries of residence cooperate in planning and financing projects. In fact, the Assembly's resolution should urge these governments to sustain a concerted effort to resolve their refugee problems during the 5-year period of the United Nations program. The final decision of our government will also depend, of course, upon the merits of the particular projects which might later be proposed under the program.

In conclusion, Mr. Chairman, I wish to repeat that the United States delegation holds the work of the High Commissioner in high regard and is anxious that it succeed. Our delegation desires that these tragic victims of war and revolution find security and an opportunity to build a normal life. Our delegation desires that the United Nations do what it can within the next 5 years to assist the countries where these refugees reside in solving their problems. This is a humanitarian cause, one which should enlist the support of governments, non-governmental organizations, and private citizens. It is a humanitarian cause to which the United Nations has already contributed much. It is a cause which deserves the support of each and every one of us.

FALSE ACCUSATIONS BY SOVIET

U.S. delegation press release 1977 dated October 12

I spoke briefly at the end of the last session³ in response to the false accusations of the representative of the U.S.S.R. [G. F. Saksin] against my country. His statement, which purported to be a reply to the High Commissioner, was actually an unprovoked attempt to divert this committee from the humanitarian issue before it by obscuring it under a propaganda barrage.

The speech was obviously carefully prepared in advance for such a deliberate attack, an attack that can only poison the atmosphere of this committee and create further international tensions. It calls into question the sincerity of Soviet pretensions, loudly proclaimed in recent months, that it is seeking to lessen these tensions.

The representative of the U.S.S.R. claimed that the free world in general and the United States in particular was artificially fostering the refugee problem in order to obtain cheap labor.

³ Not printed here.

This is a strange charge from a country which has been found by a United Nations body to employ slave labor on a vast scale.

Earnings of Refugees

I can state categorically to this committee that refugees admitted to the United States earn wages comparable to those of other residents. As a matter of fact, before any refugees may be admitted under the laws at present in force, government employment bureaus in the area to which they are to go must certify that they will be given wages and working conditions comparable to those of other people in the area.

I might also point out, Mr. Chairman, that even if the allegation were true that refugees earn only half of the wages of a citizen, they would still be earning about three times the amount they could expect in the U.S.S.R. Anyone who cares to check this can do so in the *United Nations Publication on National and Per Capita Incomes in Seventy Countries in 1949*, the latest information the United Nations has produced.

With respect to repatriation I have already made our position clear. The United States has no objection, and has never had any objection, to voluntary repatriation. We will oppose any forcible repatriation with all our power. What irritates the U.S.S.R. is that whenever residents of Communist countries have had an opportunity to be free of their control, many thousands of them have refused to return. What can be wrong with conditions behind the iron curtain to cause this?

With respect to subversion, one need only examine the record. The irresponsibility and insincerity of the Soviet allegations is evident to the entire free world, which knows well such names as Nikolai Khokhlov, Yuri Rasvorov, Vladimir Petrov and his wife, as well as Dr. Marek Korowicz. Except for the latter, the world knows that they were part of the worldwide intelligence apparatus of the Soviet Union.

The U.S.S.R. attack on the so-called Kersten Amendment of the Mutual Security Act is an old and familiar allegation—the falsity of which has been exposed in previous sessions of the General Assembly. The purpose of the amendment was to give aid and comfort to those escaping from behind the iron and bamboo curtains.

The only activity undertaken by the United States Government under the so-called Kersten Amendment (Sec. 401) of the Mutual Security Act of 1954 has been the United States escapee program, and about \$12.7 million has been made available from its inception in March 1952 through June 30, 1954.

The objectives and activities of the escapee program are: "to provide reception, interim care and maintenance, and resettlement assistance to recent Soviet and satellite escapees in Europe, and to undertake assistance projects on behalf of selected escapee groups or individuals in other areas of the world."

As of May 31, 1954, 11,027 escapees had been resettled from Europe, primarily in the United States, Canada, Australia, and Latin America. On the same date, 24,126 escapees represented the current case load in Europe. This has been a tremendous humanitarian effort which has earned not only the gratitude of those unfortunate ones who were able to escape but of the entire free world.

Heroic Feats of Escapees

The record of those who have used every conceivable means to flee from their Soviet masters is well known. One reads daily of the heroic feats of those who have risked their lives to escape the barbed wire, the mine fields, and the other nefarious impediments that have been erected to prevent this ever-increasing flight to freedom. Unfortunately we also read about those who have lost their lives or have been maimed in those attempts.

Despite the "new look" put on the horrors of Soviet existence by the new regime, the continued opposition among the masses and the spreading revulsion among members of the state apparatus is reflected in the thousands that continue to flee under the threat of life imprisonment in forced labor camps or even punishment by death.

Is it not significant that during the first 6 months of 1954, 4,624 persons were officially registered as escapees from the Soviet Union and the satellite countries? These included 989 from the U.S.S.R., 350 from Albania, 29 Balts, 141 Bulgarians, 1,234 from Czechoslovakia, 791 Hungarians, 844 from Poland, and 246 Rumanians.

In the first half of this year a total of 95,200 East Germans reported to refugee-receiving cen-

ters in West Berlin and the Federal Republic. These figures reflect a continuing pattern of those escaping in earlier years.

I suppose it is because of the extent of this mass flight, and the fact that it reveals the horrible conditions of life under Soviet control and the will of man to revolt against these conditions, that the U.S.S.R. representative has taken it upon himself to attempt to divert attention from the true picture by making wild and false allegations.

U.S. SUPPORT FOR RESOLUTION

U.S. delegation press release 1987 dated October 21

The problem of refugees has become such a familiar aspect of life in this present century that we are constantly in danger of forgetting that refugees are human, with the same hopes, the same aspirations, and the same desires that exist within the hearts of us all. In this turbulent world anyone might say and might well say that there but for the grace of God go I.

The refugee problem is a human problem with which we are all concerned. We should all deal with it in a human way. We were asked today to approve a resolution which will make possible another expression of the traditional assistance for refugees which the international community has extended through the United Nations and otherwise. The resolution before us is but a piece of paper which can have meaning only under two circumstances. The first is the provision of generous financial support by a large number of governments. The second is a vigorous implementation of the program to reach permanent solutions for these refugees. I am confident that under the able leadership of Dr. van Heuven Goedhart the refugees will receive efficient and understanding aid. I hope that the governments here will be in a position to provide him with the resources essential to his task.

It is with a good deal of personal satisfaction that I am able to express the support of the United States of America for this resolution and to inform this Assembly that the executive branch of the U.S. Government will request the Congress for authorization and an appropriation for our contribution to this program. I must also state that this obviously cannot be construed as a commitment at this time.

The Soviet delegation has claimed that there would be no refugee problem but for the political and economic purposes of the free world. The shallowness, the falsity of this allegation is so obvious that it needs no further elaboration here. No amount of words and no amount of verbal smog can obscure the true situation. As the High Commissioner so adequately said in his report, it must never be forgotten that the refugees are people who have made a sacrifice for the sake of freedom. There can be no question but that the free world is under obligation to see that their sacrifice is not made meaningless. The problem of the refugee is a concern for all of humanity. It is a problem with only one political aspect, and that is the conflict between the desire of the refugees to remain free and the desire of certain countries that these refugees should be forcibly returned to an uncertain fate in the lands from which they had fled. This demand for forcible repatriation is obviously unacceptable to free peoples anywhere.

The policy of my Government is to continue to make every effort to aid those in need. We are happy to join in support of this project which touches the conscience of the freedom-loving world.

Foreign Forces in Burma

*Statements by Charles H. Mahoney
U.S. Representative to the General Assembly*¹

PROGRESS IN EVACUATION

U.S. delegation press release 1975 dated October 12

The statements which we heard yesterday have made it clear that substantial results have been achieved in the evacuation of foreign forces from Burma. The hopes which were expressed in the General Assembly last December have been fulfilled to a marked extent. In fact, the results have surpassed the expectations which were then entertained. According to the final report of the Joint Military Committee,² prepared pursuant to the General Assembly's Resolution of December 8, 1953, a total of 5,742 troops and 881 dependents

were repatriated to Formosa, along with 177 prisoners of war and 186 refugees.

The task was not an easy one. Negotiations to reconcile the interests of several parties seldom go smoothly. It was to be expected that delays and difficult situations would at times arise to plague the course of the operation. Nevertheless, despite the inevitable delays and difficulties, the Joint Military Committee has given us an excellent example of what can be accomplished through peaceful international action and the exercise of good will and perseverance. Although the Government of Burma withdrew from the four-nation committee in September 1953, it continued to cooperate with the Governments of Thailand, China, and the United States through a liaison group which was an integral part of the joint effort. Without the cooperation of Thailand—which cooperation was given wholeheartedly and unstintingly—no evacuation would have been possible. The Government of the Republic of China, for its part, did not rest with the evacuation of the 2,000 at first anticipated. It continued to exert its influence to set in motion a second, then a third, phase of evacuation.

Even before this problem was first discussed in the Seventh General Assembly, the United States fully recognized the justice of Burma's desire to eliminate from its territories these foreign forces, who refused to submit to Burmese authority and who engaged in improper activities on Burmese soil. We have consistently adhered to that view. At the same time we have maintained that there are limits to what can be done through international action. The objective has been a limited one: to persuade as many irregulars as possible to leave voluntarily, and to provide the means for their doing so—thus easing the problem and reducing it to manageable proportions for Burma. I am happy to note that this objective has been achieved.

An undetermined number of irregulars still remain in Burmese territory, despite all efforts to induce their voluntary evacuation. It is our understanding that the majority of these forces are scattered and in disorganized groups. Their overall leadership disappeared with the surrender of the headquarters at Mong Hsat and the other principal bases.

Some of the remnants are reported to have retired to the remote regions of the northern Shan

¹ Made in the *Ad Hoc* Political Committee on Oct. 12 and Oct. 14.

² U. N. doc. A/2740.

State. Others are in the Tenasserim Peninsula, which forms the southern tip of Burma. Still others are reported in the border area between Burma and Thailand. It is indeed heartening to know that the Thai and Burmese Governments are now concerting plans to deal jointly with this mutual problem. It is noteworthy, too, that this useful example of international cooperation has to some extent grown out of the relationships formed during the activity of the Joint Military Committee.

That Committee has finished its task. The evacuation operation in which the Governments of Burma, China, Thailand, and the United States have been jointly engaged—pursuant to the General Assembly's Resolutions of April 23 and December 8, 1953—has been brought to a close by mutual consent of those four Governments.

The United States Government, however, will not abate its interest in the problem. We would be prepared in the future, as we have been in the past, to exchange views with the interested parties regarding such aspects of the problem as they may wish to raise.

In closing, I should like, on behalf of the United States Government, to thank the distinguished representatives of the Governments of Burma, Thailand, and China for their expressions of appreciation for the part played by the United States in the joint operation recently completed.

U. S. POSITION

U.S. delegation press release 1978 dated October 14

I wish to make a few comments on the resolution before us.

I shall not take the time of the Committee to refute the completely false and unfounded charges made by the Polish representative against the United States yesterday. The record of the United States speaks for itself. The Government of Burma, itself, has expressed its appreciation for the persistent efforts on the part of the United States in the peaceful evacuation of the irregular forces from Burma.

I now turn to the draft resolution which is being sponsored by Australia, Canada, India, Indonesia, New Zealand, Norway, Pakistan, Sweden, the United Kingdom, and Uruguay.³ We are happy to note that among these countries are those which

³ U. N. doc. A/AC.76/L.1 dated Oct. 13.

pooled their collective judgment in sponsoring the resolution adopted last year by the General Assembly. They have once again given positive evidence of their continued interest in the peaceful settlement of this problem pursuant to the General Assembly Resolution of December 8, 1953.

The U.S. Government will support the 10-power resolution. It is a document which we believe meets the requirements of the situation. It strikes a positive note. It recognizes that the situation in Burma has been eased and the magnitude of the problem considerably reduced. At the same time, in our view, it would be remiss for the General Assembly to adopt a resolution which overlooks the fact that foreign forces still remain in the territory of the Union of Burma and have failed to respond to the declarations of the General Assembly. Burma has a right to expect the continued moral backing of the General Assembly in the task which lies ahead of it before a complete solution of this problem can be accomplished.

The U.S. Government has cooperated willingly during the past year and a half in bringing about the results achieved to date through the Joint Military Committee. That Committee was formed by the Governments of Burma, Thailand, China, and the United States in order to give concrete substance to the recommendations of the General Assembly—and it was only after the interested parties had recognized that the limits of voluntary evacuation had been reached that the Joint Military Committee's activities were terminated.

Our support for this resolution is not only an affirmation of our view that real progress has been made but also a reaffirmation that our interest in Burma's problem will not abate. We stand ready to exchange views with the parties concerned regarding any measures which may be suggested in keeping with the spirit and letter of the resolution before us and the previous resolutions adopted by the General Assembly.

TEXT OF AGREED RESOLUTION⁴

U.N. doc. A/AC.76/L.2 dated October 15

The General Assembly,

Having considered the report (A/2739) dated 27 Sep

⁴ Adopted by the *Ad Hoc* Political Committee on Oct. 15 by a vote of 57-0-0; China did not participate. In a separate vote on paragraph 2, the U. S., Thailand, and the Soviet bloc abstained. The resolution was approved in plenary session on Oct. 29, 56-0-0.

tember 1954 of the Government of the Union of Burma on the situation relating to the presence of foreign forces in its territory,

Having taken note of the report (A/2740) of the Joint Military Committee for the evacuation of foreign forces from Burma, the efforts of which were directed to securing the removal of these foreign forces,

1. *Notes with satisfaction* that nearly 7,000 persons, both foreign forces and their dependants, have been evacuated from Burma and that this constitutes a substantial contribution to the solution of the problem pursuant to the recommendations of the General Assembly;
2. *Expresses its appreciation* of the efforts of the Governments of the United States of America and of Thailand in helping to bring about this evacuation;
3. *Deplores* the fact that considerable foreign forces with a significant quantity of arms still remain in the territory of the Union of Burma and have failed to respond to the declarations of the General Assembly that they should either leave the territory of the Union of Burma or submit to internment;
4. *Declares* once more that these forces should submit to disarmament and internment;
5. *Assures* the Government of the Union of Burma of its continuing sympathy with and support of the efforts of that Government to bring about a complete solution of this serious problem;
6. *Urges* all States to take all necessary steps to prevent the furnishing of any assistance which may enable foreign forces to remain in the territory of the Union of Burma or to continue their hostile acts against that country;
7. *Invites* the Government of the Union of Burma to report on the situation to the General Assembly as appropriate.

U.S. Delegations to International Conferences

Contracting Parties to GATT

The Department of State announced on October 26 (press release 609) that Samuel C. Waugh, Assistant Secretary for Economic Affairs, would be chairman of the U.S. delegation to the Ninth Session of the Contracting Parties to the General Agreement on Tariffs and Trade (GATT), opening at Geneva on October 28. The delegation also includes the following:

Vice Chairman

Winthrop G. Brown, Counselor of Embassy for Economic Affairs, London

Congressional Members

Senator Albert Gore

November 8, 1954

Senator Frank Carlson
Representative Jere Cooper
Representative Richard M. Simpson

Public Members

Lamar Fleming, Jr., Anderson, Clayton and Co., Houston, Tex.

Cola Godden Parker, Kemberly-Clark Corp., Neenah, Wis.

Advisers

Kathleen Bell, Department of State
A. Richard DeFelice, Department of Agriculture
Robert Eisenberg, American Legation, Luxembourg
Morris Fields, Department of the Treasury
Joseph Greenwald, Department of State
Walter Hollis, Department of State
Florence Kirlin, Department of State
Gerald D. Morgan, Administrative Assistant to the President
Bernard Norwood, Department of State
Alexander Rosenson, Department of State
Robert E. Simpson, Department of Commerce
Edward F. Thompson, Department of the Treasury
Leonard Weiss, Department of State
Clayton E. Whipple, Department of Agriculture

Secretary of Delegation

Henry F. Nichol, Department of State

Technical Secretary

Virginia McClung, Department of State

The Ninth Session will deal primarily with a proposed revision of the GATT. In his message of March 30, 1954, to the Congress, the President recommended that the GATT be renegotiated with a view to simplifying and strengthening the instrument in order to make it contribute more effectively to a workable system of world trade. He also stated that the renegotiated organizational provisions of the agreement would be submitted to the Congress early next year for its approval.

The GATT was originally developed in 1947 to lay down a set of rules for the conduct of international trade. The current review will take into consideration the improved world economic situation since 1947. It is hoped that this improvement will make possible further relaxation of restrictions now imposed by some countries on the import of U.S. goods. The review will also consider the need of underdeveloped countries to develop and strengthen their economies. Provisions of the agreement affecting international trade in agricultural commodities are also expected to be examined during the review.

TREATY INFORMATION

U.S.-Belgian Agreement on Defense Use of Technology

Press release 581 dated October 18

The Secretary of State announced on October 18 the signing of an agreement with Belgium to facilitate the interchange of patent rights and technical information for defense purposes. The agreement was signed in Brussels on October 12 by the Belgian Foreign Minister, Paul-Henri Spaak, and U. S. Ambassador Frederick M. Alger, Jr.

The agreement is expected to foster the exchange of technology for defense purposes both between the Governments of Belgium and the United States and between the private industries of the two countries. Thus it should benefit the efforts of both countries in providing for their national defense and in contributing to the mutual defense of the North Atlantic Treaty area.

This agreement with Belgium is the third of a series being negotiated with the NATO countries, and with Japan, to be signed to date. Similar agreements have been signed with Italy and the United Kingdom.

The agreements recognize that privately owned technology should, to the greatest extent practicable, be exchanged through commercial agreements between owners and users. They also stipulate that rights of private owners of patents and technical information should be fully recognized and protected in accordance with laws applicable to such rights. Other provisions are intended to assure fair treatment of private owners when they deal directly with a foreign government and in cases in which private information communicated through government channels might be used or disclosed without authorization. Another feature of the agreements relates to arrangements by which owners of patentable inventions placed under secrecy by one government may obtain comparable protection in the other country.

The agreements also provide as a general rule that government-owned inventions shall be interchanged for defense purposes on a royalty-free basis.

Each of the agreements provides for the establishment of a Technical Property Committee to be composed of a representative of each Government. These Committees are charged with general responsibility for considering and making recommendations on any matters relating to the agreements brought before them by either Government. One of the specific functions of the Committees is to make recommendations to the Governments, either in particular cases or in general, concerning disparities in their laws affecting the compensation of owners of patents and technical information.

The U.S. representative to the bilateral committees in Europe is assigned to the Office of the U.S. Special Representatives in Europe, 2 Rue St. Florentin, Paris.

The U.S. representatives on the Technical Property Committees are backstopped by the Inter-agency Technical Property Committee for Defense, chaired by the Department of Defense and including representatives of the Departments of State, Justice, and Commerce, the Foreign Operations Administration, and the Government Patents Board. This Committee is assisted by a business advisory group representing the primary industries concerned with defense production.

Treaty of Friendship With Greece Proclaimed

Press release 597 dated October 21

The President proclaimed on October 18, 1954, the treaty of friendship, commerce, and navigation between the United States and Greece. The treaty was signed at Athens on August 3, 1951. It was approved, subject to a reservation respecting the practice of professions, by the U.S. Senate on July 21, 1953, and by the Greek Parliament on June 1, 1954. Instruments of ratification were exchanged at Athens on September 13, 1954, and by its terms the treaty entered into force 1 month thereafter on October 13, 1954.

Entry into force of the new treaty establishes a comprehensive and formal set of advanced standards to govern basic economic relations between the United States and Greece, and to serve as a potential means of directing the future development of those relations along mutually beneficial lines. It contains provisions on basic per-

sonal freedoms, property rights, investment and business activities generally, exchange regulations, the treatment of imports and exports, shipping, and other matters affecting the status and activities of the citizens and enterprises of either country when within the territories of the other.

U.S. and Mexico To Negotiate
Broadcasting Agreement

Press release 615 dated October 28

The United States has accepted the invitation of Mexico and will send a delegation to Mexico City to begin discussions with Mexican authorities on standard-band broadcasting on November 4, 1954. The U.S. delegation will be headed by Rosel H. Hyde, Commissioner of the Federal Communications Commission, and will include officials from the Fcc and the Department of State and from industry.

The primary purpose of the meeting will be to negotiate an agreement on standard-band broadcasting between the two Governments. The previous basic agreements between the United States and Mexico in this field have expired.

Current Actions

MULTILATERAL

Copyright

Universal copyright convention and three related protocols. Done at Geneva September 6, 1952.¹
Ratification deposited: Haiti, September 1, 1954.
Accession deposited: Laos, August 19, 1954.

Postal Matters

Universal postal convention, with final protocol, annex, regulations of execution; and provisions regarding air-mail and final protocol thereto. Signed at Brussels July 11, 1952. Entered into force July 1, 1953. TIAS 2800.
Ratification deposited: Rumania, September 27, 1954.

Telecommunications

Telegraph regulations (Paris revision, 1949) annexed to the international telecommunication convention (Atlantic City, 1947), and final protocol. Signed at Paris August 5, 1949. Entered into force July 1, 1950. TIAS 2175.
Acceptance deposited: Mexico, September 13, 1954.

BILATERAL

Germany

Agreement concerning the treaty of friendship, commerce and consular rights of December 8, 1923, as amended (44 Stat. 2132 and 49 Stat. 3258). Signed at Bonn June

3, 1953. Ratified by the President October 8, 1954. Instruments of ratification exchanged October 22, 1954.
Entered into force: October 22, 1954.

Guatemala

Agreement amending agreement of May 19, 1943 (57 Stat. 1111) to provide for completion of construction of the Inter-American Highway in Guatemala. Effected by exchange of notes at Washington July 28 and August 28, 1954. Entered into force August 28, 1954.

India

Agreement relating to copyright relations. Effected by exchange of notes at Washington October 21, 1954. Entered into force October 21, 1954; operative retroactively from August 15, 1947. Presidential proclamation issued October 21, 1954.

Ryukyu Islands

Parcel post agreement, and detailed regulations. Signed at Tokyo July 19, 1954 by the Governor of the Ryukyu Islands and at Washington July 30, 1954 by the U.S. Postmaster General. Ratified by the President August 23, 1954. Entered into force October 15, 1954.

United Kingdom

Supplementary protocol amending the convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income of April 16, 1945 (TIAS 1546) as modified by the supplementary protocol of June 6, 1946 (TIAS 1546). Signed at Washington May 25, 1954.
Ratified by the President: September 22, 1954.

STATUS LIST ²

Regulations for Preventing Collisions at Sea. Approved by the International Conference on Safety of Life at Sea at London June 10, 1948. Entered into force January 1, 1954. TIAS 2899.

Countries which have accepted the regulations

Countries	Date of acceptance
Australia	Dec. 9, 1949
Belgium	July 19, 1951
Brazil	Sept. 27, 1949
Bulgaria	Dec. 15, 1953
Burma	Dec. 23, 1949
Canada	July 15, 1949
Chile	May 23, 1949
Colombia	Oct. 10, 1952
Denmark	Nov. 28, 1949
Dominican Republic	Aug. 3, 1949
Ecuador	Dec. 13, 1949
Egypt	Sept. 8, 1951
Finland	Sept. 6, 1951
France	Apr. 23, 1949
Germany	Jan. 22, 1954
Greece	June 24, 1950
Haiti	May 26, 1954
Hungary	Feb. 1, 1952
Iceland	Aug. 19, 1949
India	Mar. 28, 1950
Iraq	Aug. 8, 1949
Ireland	Oct. 16, 1950
Israel	Dec. 29, 1953
Italy	Feb. 19, 1951
Liberia	Dec. 30, 1953
Mexico	Nov. 18, 1949
Netherlands	June 2, 1949
New Zealand	May 23, 1949

² As of Sept. 27, 1954.

¹ Not in force.

Countries	Date of acceptance
Nicaragua	Dec. 23, 1949
Norway	July 4, 1952
Pakistan	Nov. 23, 1949
Panama	Feb. 4, 1954
Peru	Sept. 4, 1952
Philippines	Mar. 3, 1953
Poland	Aug. 12, 1949
Portugal	Feb. 24, 1953
Rumania	Jan. 10, 1952
Spain	Aug. 5, 1950
Sweden	Mar. 4, 1950
Turkey	Nov. 27, 1950
Union of South Africa	July 24, 1950
U. S. S. R.	July 19, 1951
United Kingdom	June 14, 1950
United States	Oct. 26, 1951
Venezuela	Dec. 28, 1953
Yugoslavia	Oct. 7, 1949

PUBLICATIONS

Foreign Relations Volume

Press release 601 dated October 22

The Department of State announced on October 30 the publication of *Foreign Relations of the United States, 1937, Volume V, The American Republics*. This is the last of the series of five volumes of diplomatic correspondence to be published for the year 1937.

The multilateral negotiations covered by the documentation in this volume are about equally concerned with economic and political questions. Economic matters are emphasized in the correspondence on bilateral relations between the United States and other American Republics. Such correspondence comprises three-fourths of this 800-page volume.

In the record on multilateral negotiations a major portion of the documents relates to three subjects: the Chaco dispute between Bolivia and Paraguay, construction of the Inter-American Highway, and a proposal by the United States to lease destroyers to the American Republics for training purposes. The latter proposal (pp. 149-174) and a suggestion by the President of Colombia that the United States and Colombia cooperate in surveillance of areas adjacent to the Pan-

ama Canal (pp. 438-439) are evidence of an awareness among the American Republics of the coming of World War II.

Discussions concerning possible reciprocal trade agreements and efforts to secure equitable treatment for American business interests are the chief subjects of bilateral diplomacy dealt with in this volume. Trade agreement talks were held with Argentina, Bolivia, Brazil, Chile, Ecuador, El Salvador, and Venezuela. Equitable treatment for American business interests was the subject of discussions with Argentina, Bolivia, Brazil, Chile, and Mexico.

Copies of this volume (V, 807 pp.) may be purchased from the Superintendent of Documents Government Printing Office, Washington 25, D. C. for \$3.75 each.

THE DEPARTMENT

Designations

Christopher H. Phillips as Deputy Assistant Secretary for International Organization Affairs, effective October 15 (press release 579).

Victor Purse as Deputy Chief of Protocol, effective October 10.

Charlton Ogburn, Jr., as Chief of the Division of Research for the Near East, South Asia, and Africa, effective October 10.

Office Designation

The following office designation is effective September 22 under the Bureau of Inspection, Security, and Consular Affairs: Departmental Inspection Service (DI).

FOREIGN SERVICE

Recess Appointment

The President on October 11 appointed Gerald A. Drew to be Ambassador to Bolivia.

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*606	10/26	Hearings on Philippine trade.
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609	10/26	Delegation to GATT meeting.
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*611	10/27	Educational exchange.
†612	10/27	Exchange of publications with Germany.
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615	10/28	Radio talks with Mexico.
616	10/29	Friendship treaty with Germany.
617	10/29	Dulles: Signing of friendship treaty.
618	10/29	Aid to Guatemala.
*619	10/29	Death of Bundestag president.

*Not printed.
†Held for a later issue of the BULLETIN.



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The multilateral negotiations covered by the documentation in this volume are about equally concerned with economic and political questions.

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Discussions concerning possible reciprocal trade agreements and efforts to secure equitable treatment for American business interests are the chief subjects of bilateral diplomacy dealt with in this volume. Trade agreement talks were held with Argentina, Bolivia, Brazil, Chile, Ecuador, El Salvador, and Venezuela. Equitable treatment for American business interests was the subject of discussions with Argentina, Bolivia, Brazil, Chile, and Mexico.

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The Department of State

bulletin

Vol. XXXI, No. 803

November 15, 1954

RESULTS OF PARIS CONFERENCE • *Texts of*
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SOME PROBLEMS OF CHARTER REVIEW • *by David*
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Text of Draft Resolution 745



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The Department of State bulletin

VOL. XXXI, No. 803 • PUBLICATION 5667

November 15, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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52 issues, domestic \$7.50, foreign \$10.25
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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

Results of Paris Conference

The Department of State this month released a publication entitled London and Paris Agreements, September-October 1954 (for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D. C., 45 cents) containing documents on the recent London and Paris conferences. The volume also includes the text of Secretary Dulles' report to the President and the Cabinet on October 25. Reprinted below are texts of the agreements signed at Paris on October 23 relating to NATO, to the Brussels Treaty of 1948, to the occupation of the Federal Republic of Germany, and to Berlin.

DOCUMENTS RELATING TO NATO

Protocol to the North Atlantic Treaty on the Accession of the Federal Republic of Germany

The Parties to the North Atlantic Treaty signed at Washington on 4th April, 1949,

Being satisfied that the security of the North Atlantic area will be enhanced by the accession of the Federal Republic of Germany to that Treaty, and

Having noted that the Federal Republic of Germany has by a declaration dated 3rd October, 1954,¹ accepted the obligations set forth in Article 2 of the Charter of the United Nations and has undertaken upon its accession to the North Atlantic Treaty to refrain from any action inconsistent with the strictly defensive character of that Treaty, and

¹ For text of the Final Act of the London Conference, Section V of which contains the Oct. 3 declarations, see BULLETIN of Oct. 11, 1954, p. 515.

Having further noted that all member governments have associated themselves with the declaration also made on 3rd October, 1954, by the Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the French Republic¹ in connection with the aforesaid declaration of the Federal Republic of Germany,

Agree as follows:

Article I

Upon the entry into force of the present Protocol, the Government of the United States of America shall on behalf of all the Parties communicate to the Government of the Federal Republic of Germany an invitation to accede to the North Atlantic Treaty. Thereafter the Federal Republic of Germany shall become a Party to that Treaty on the date when it deposits its instruments of accession with the Government of the United States of America in accordance with Article 10 of that Treaty.

Article II

The present Protocol shall enter into force, when (a) each of the Parties to the North Atlantic Treaty has notified to the Government of the United States of America its acceptance thereof, (b) all instruments of ratification of the Protocol Modifying and Completing the Brussels Treaty have been deposited with the Belgium Government, and (c) all instruments of ratification or approval of the Convention on the Presence of Foreign Forces in the Federal Republic of Germany have been deposited with the Government of the Federal Republic of Germany. The Government of the United States of America shall inform the other Parties to the North Atlantic Treaty of the date of the receipt of each notification of acceptance of the present Protocol and of the date of the entry into force of the present Protocol.

Article III

The present Protocol, of which the English and French texts are equally authentic, shall be deposited in the archives of the Government of the United States of America. Duly certified copies thereof shall be transmitted by that Government to the Governments of the other Parties to the North Atlantic Treaty.

IN WITNESS WHEREOF, the undersigned Representatives, duly authorised thereto by their respective Governments, have signed the present Protocol.

SIGNED at Paris the twenty-third day of October nineteen hundred and fifty four.

For Belgium: P. H. SPAAK
For Canada: L. B. PEARSON
For Denmark: H. C. HANSEN
For France: P. MENDÈS-FRANCE
For Greece: S. STEPHANOPOULOS
For Iceland: KRISTIN GUDMUNDSSON
For Italy: G. MARTINO
For the Grand-Duchy of Luxemburg: JOS. BECH
For Netherlands: J. W. BEYEN
For Norway: HALVARD LANGE
For Portugal: PAULO CUNHA
For Turkey: F. KÖPRÜLÜ
For the United Kingdom of Great Britain and Northern-Ireland: ANTHONY EDEN
For the United States of America: JOHN FOSTER DULLES

Resolution To Implement Section IV of the Final Act of the London Conference Concerning the Powers of the Supreme Allied Commander, Europe

THE NORTH ATLANTIC COUNCIL:

1. *Recognising* the necessity of strengthening the structure of the North Atlantic Treaty Organization and of reinforcing the machinery for the collective defence of Europe, and desirous of specifying the conditions governing joint examination of the defence effort of member countries,

2. *Recalls* that:

(a) the resources which member nations intend to devote to their defence effort as well as the level, composition and quality of the forces which the member nations are contributing to the defence of the North Atlantic area are each year subject to collective examination in the NATO Annual Review for the purpose of reaching agreement on force goals, taking into account expected mutual aid;

(b) the defence expenditures incurred by the member nations and the extent to which the recommendations emerging from the Annual Re-

view have been carried out are the subject of periodical review during the year.

3. *Agrees* with the terms of the Agreement on Forces of Western European Union;² and that with respect to the forces which the members of Western European Union will place under NATO Command on the mainland of Europe and for which maximum figures have been established in that Agreement, if at any time during the NATO Annual Review recommendations are put forward, the effect of which would be to increase the level of forces above the limits established in the Agreement, the acceptance by the country concerned of such recommended increases shall be subject to unanimous approval by the members of Western European Union, expressed either in the Council of Western European Union or in the North Atlantic Treaty Organization.

4. *Decides* that all forces of member nations stationed in the area of the Allied Command Europe shall be placed under the authority of the Supreme Allied Commander Europe or other appropriate NATO Command and under the direction of the NATO military authorities with the exception of those forces intended for the defence of overseas territories and other forces which the North Atlantic Treaty Organization has recognised or will recognise as suitable to remain under national command.

5. *Invites* member nations to make an initial report for consideration and recognition by the Council on those forces which they plan to maintain within the area of Allied Command Europe for the common defence, but not to place under the authority of the North Atlantic Treaty Organization, taking into account the provisions of relevant NATO directives bearing on that subject. The initial report will include a broad statement of the reason for which the above forces are not so placed. Thereafter, if any changes are proposed, the North Atlantic Council action on the NATO Annual Review will constitute recognition as to the suitability and size of forces to be placed under the authority of the appropriate NATO Command and those to be retained under national command.

6. *Notes* that the agreements concluded within the framework of the Organization of Western European Union on the internal defence and police forces which the members of that Organization

² See p. 724.

will maintain on the mainland shall be notified to the North Atlantic Council.

7. *Agrees*, in the interest of most effective collective defence, that in respect of combat forces in the area of Allied Command Europe and under the Supreme Allied Commander Europe;

(a) all deployments shall be in accordance with NATO strategy;

(b) the location of forces in accordance with NATO operational plans shall be determined by the Supreme Allied Commander Europe after consultation and agreement with the national authorities concerned;

(c) forces under the Supreme Allied Commander Europe and within the area of Allied Command Europe shall not be redeployed or used operationally within that area without the consent of the Supreme Allied Commander Europe, subject to political guidance furnished by the North Atlantic Council, when appropriate, through normal channels.

8. *Decides That:*

(a) integration of forces at Army Group and Tactical Air Force level shall be maintained;

(b) in view of the powerful combat support units and logistic support organization at Army level, integration at that level and associated Air Force level will be the rule, wherever formations of several nationalities are operating in the same area and on a common task, provided there are no overriding objections from the point of view of military effectiveness;

(c) wherever military efficiency permits, in light of the size, location and logistic support of forces, integration at lower levels, both in the land and air forces, shall be achieved to the maximum extent possible;

(d) proposals to the North Atlantic Council, indicating any increases in commonly financed items of expenditure, such as infrastructure which might be entailed by the adoption of such measures, should be submitted by the NATO military authorities.

9. *Agrees* that, in order to improve the capability of the Supreme Allied Commander Europe to discharge his responsibilities in the defence of Allied Command Europe, his responsibilities and powers for the logistic support of the forces placed under his authority shall be extended.

10. *Considers* that these increased responsibilities and powers should include authority:

(a) to establish, in consultation with the na-

tional authorities concerned, requirements for the provision of logistic resources;³

(b) to determine, in agreement with the national authorities concerned, their geographic distribution;

(c) to establish, in consultation with these authorities, logistic priorities for the raising, equipping and maintenance of units;

(d) to direct the utilisation, for meeting his requirements, of those portions of the logistic support systems made available to him by the appropriate authorities;

(e) to co-ordinate and supervise the use, for logistical purposes, of NATO common infrastructure facilities and of those national facilities made available to him by the national authorities.

11. *Agrees* that, in order to ensure that adequate information is obtained and made available to the appropriate authorities about the forces placed under the Supreme Allied Commander Europe including reserve formations and their logistic support within the area of Allied Command Europe, the Supreme Allied Commander Europe shall be granted increased authority to call for reports regarding the level and effectiveness of such forces and their armaments, equipment and supplies as well as the organization and location of their logistic arrangements. He shall also make field inspections within that area as necessary.

12. *Invites* nations to submit to the Supreme Allied Commander Europe such reports to this end as he may call for from time to time; and to assist inspection within the area of Allied Command Europe by the Supreme Allied Commander Europe of these forces and their logistic support arrangements as necessary.

13. *Confirms* that the powers exercised by the Supreme Allied Commander Europe in peacetime extend not only to the organization into an effective integrated force of the forces placed under him but also to their training; that in this field, the Supreme Allied Commander Europe has direct control over the higher training of all national forces assigned to his command in peacetime; and that he should receive facilities from member nations to inspect the training of those cadre and other forces within the area of Allied Command Europe earmarked for that Command.

³ By logistic resources should be understood all the matériel, supplies, installations and parts thereof necessary for the prolonged conduct of combat operations. [Footnote in the original.]

14. *Directs* the NATO military authorities to arrange for the designation by the Supreme Allied Commander Europe of a highranking officer of his Command who will be authorised to transmit regularly to the Council of Western European Union information relating to the forces of the members of Western European Union on the mainland of Europe acquired as a result of the reports and inspections mentioned in paragraphs 11 and 12 in order to enable that Council to establish that the limits laid down in the special agreement mentioned in paragraph 3 above are being observed.

15. *Agrees* that the expression "the area of Allied Command Europe" as used throughout this Resolution shall not include North Africa; and that this Resolution does not alter the present status of the United Kingdom and United States forces in the Mediterranean.

16. *Directs* the NATO Military Committee to initiate the necessary changes in the directives to give effect to the above policies and objectives of the North Atlantic Council.

Resolution on Results of the Four and Nine Power Meetings⁴

THE NORTH ATLANTIC COUNCIL:

Recognising that all the arrangements arising out of the London Conference form part of one general settlement which is directly or indirectly of concern to all the NATO Powers and has therefore been submitted to the Council for information or decision;

Have Learnt with satisfaction of the arrangements agreed between the Governments of France, the United Kingdom and the United States of America and of the Federal Republic of Germany for the termination of the occupation régime in the Federal Republic as set forth in the Protocol communicated to the Council;

Welcome the decision of the Brussels Treaty Powers to invite the Federal Republic of Germany and Italy to accede to the Brussels Treaty as modified and completed by the Protocols and other documents communicated to the Council, and hereby record their agreement with the provisions of those Protocols and documents insofar as they concern action by the North Atlantic Treaty Organization;

⁴ Adopted by the North Atlantic Council on Oct. 22. For text of the communique issued on the same date, see p. 732.

Welcome the extension of the Brussels Treaty as an important step toward the achievement of European unity; and express confidence that there will be the closest co-operation between the Western European Union and the North Atlantic Treaty Organization which remains the foundation of the security and progress of the Atlantic Community.

Take Note with satisfaction of the statements made on 29th September 1954 in London by the United States Secretary of State and the Canadian Secretary of State for External Affairs, and of the declaration by the Foreign Secretary of the United Kingdom concerning the maintenance of United Kingdom forces on the continent of Europe;⁵ Finally,

Record their deep satisfaction at the happy conclusion of all the above arrangements which together constitute a decisive step in fortifying the North Atlantic Alliance and uniting the Free World.

Resolution of Association With the Tripartite Declaration of October 3, 1954

THE NORTH ATLANTIC COUNCIL,

Welcoming the declaration made in London by the Government of the Federal Republic of Germany on 3rd October, 1954, and the related declaration made on the same occasion by the Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the French Republic,

Notes With Satisfaction that the representatives of the other Parties to the North Atlantic Treaty have, on behalf of their Governments, today associated themselves with the aforesaid declaration of the Three Powers.

DOCUMENTS RELATING TO THE BRUSSELS TREATY

Declaration Inviting Italy and the Federal Republic of Germany To Accede to the Brussels Treaty

The Governments of Belgium, France, Luxembourg, the Netherlands and the United Kingdom, Parties to the Brussels Treaty of March the 17th, 1948, for collaboration in economic, social and cul-

⁵ BULLETIN of Oct. 11, 1954, p. 523.

tural matters and for legitimate collective self-defence;⁶

Aware that the principles underlying the association created by the Brussels Treaty are also recognised and applied by the Federal Republic of Germany and Italy;

Noting with satisfaction that their devotion to peace and their allegiance to democratic institutions constitute common bonds between the countries of Western Europe;

Convinced that an association with the Federal Republic of Germany and Italy would represent a new and substantial advance in the direction already indicated by the Treaty;

Decide,

in application of Article IX of the Treaty, to invite the Federal Republic of Germany and Italy to accede to this Treaty, as modified and completed in accordance with the decisions of the Conference held in London from September the 28th to October the 3rd 1954, which are recorded in its Final Act.

Protocol No. I Modifying and Completing the Brussels Treaty

His Majesty the King of the Belgians, the President of the French Republic, President of the French Union, Her Royal Highness the Grand Duchess of Luxembourg, Her Majesty the Queen of the Netherlands and Her Majesty the Queen of the United Kingdom of Great Britain and Northern Ireland and of Her other Realms and Territories, Head of the Commonwealth, Parties to the Treaty of Economic, Social and Cultural Collaboration and Collective Self-Defence, signed at Brussels on March the 17th, 1948, hereinafter referred to as the Treaty, on the one hand,

and the President of the Federal Republic of Germany and the President of the Italian Republic on the other hand,

Inspired by a common will to strengthen peace and security;

Desirous to this end of promoting the unity and of encouraging the progressive integration of Europe;

Convinced that the accession of the Federal Republic of Germany and the Italian Republic to the Treaty will represent a new and substantial advance towards these aims;

Having taken into consideration the decisions

of the London Conference as set out in the Final Act of October the 3rd, 1954 and its Annexes;

Have appointed as their Plenipotentiaries:

Who, having exhibited their full powers found in good and due form,

Have agreed as follows:

Article I

The Federal Republic of Germany and the Italian Republic hereby accede to the Treaty as modified and completed by the present Protocol.

The High Contracting Parties to the present Protocol consider the Protocol on Forces of Western European Union (hereinafter referred to as Protocol No. II), the Protocol on the Control of Armaments and its Annexes (hereinafter referred to as Protocol No. III), and the Protocol on the Agency of Western European Union for the Control of Armaments (hereinafter referred to as Protocol No. IV) to be an integral part of the present Protocol.

Article II

The sub-paragraph of the Preamble to the Treaty: "to take such steps as may be held necessary in the event of renewal by Germany of a policy of aggression" shall be modified to read: "to promote the unity and to encourage the progressive integration of Europe".

The opening words of the 2nd paragraph of Article I shall read: "The co-operation provided for in the preceding paragraph, which will be effected through the Council referred to in Article VIII. . .".

Article III

The following new Article shall be inserted in the Treaty as Article IV: "In the execution of the Treaty the High Contracting Parties and any organs established by Them under the Treaty shall work in close co-operation with the North Atlantic Treaty Organization".

Recognising the undesirability of duplicating the Military Staffs of NATO, the Council and its agency will rely on the appropriate Military Authorities of NATO for information and advice on military matters.

Articles IV, V, VI and VII of the Treaty will become respectively Article V, VI, VII and VIII.

Article IV

Article VIII of the Treaty (formerly Article VII) shall be modified to read as follows:

"1. For the purposes of strengthening peace and security and of promoting unity and of encouraging the progressive integration of Europe and closer co-operation between Them and with other European organizations, the High Contracting Parties to the Brussels Treaty shall create a Council to consider matters concerning the execu-

⁶ For text, see *London and Paris Agreements*, p. 57, and BULLETIN of Oct. 11, 1954, p. 528.

tion of this Treaty and of its Protocols and their Annexes. "2. This Council shall be known as the "Council of Western European Union"; it shall be so organized as to be able to exercise its functions continuously; it shall set up such subsidiary bodies as may be considered necessary: in particular it shall establish immediately an Agency for the Control of Armaments whose functions are defined in Protocol No. IV.

"3. At the request of any of the High Contracting Parties the Council shall be immediately convened in order to permit Them to consult with regard to any situation which may constitute a threat to peace, in whatever area this threat should arise, or a danger to economic stability.

"4. The Council shall decide by unanimous vote questions for which no other voting procedure has been or may be agreed. In the cases provided for in Protocols II, III and IV it will follow the various voting procedures, unanimity, two-thirds majority, simple majority, laid down therein. It will decide by simple majority questions submitted to it by the Agency for the Control of Armaments".

Article V

A new Article shall be inserted in the Treaty as Article IX: "The Council of Western European Union shall make an Annual Report on its activities and in particular concerning the control of armaments to an Assembly composed of representatives of the Brussels Treaty Powers to the Consultative Assembly of the Council of Europe".

The Articles VIII, IX and X of the Treaty shall become respectively Articles X, XI and XII.

Article VI

The present Protocol and the other Protocols listed in Article I above shall be ratified and the instruments of ratification shall be deposited as soon as possible with the Belgian Government.

They shall enter into force when all instruments of ratification of the present Protocol have been deposited with the Belgian Government and the instrument of accession of the Federal Republic of Germany to the North Atlantic Treaty has been deposited with the Government of the United States of America.

The Belgian Government shall inform the governments of the other High Contracting Parties and the Government of the United States of America of the deposit of each instrument of ratification.

IN WITNESS WHEREOF the above-mentioned Plenipotentiaries have signed the present Protocol and have affixed thereto their seals.

DONE at Paris this 23rd day of October 1954 in two texts, in the English and French languages, each text being equally authoritative in a single copy which shall remain deposited in the archives of the Belgian Government and of which certified copies shall be transmitted by that Government to each of the other Signatories.

For Belgium: P. H. SPAAK

For France: P. MENDES-FRANCE

For the Federal Republic of Germany: ADENAUER

For Italy: G. MARTINO

For the Grand-Duchy of Luxembourg: JOS. BECH

For the Netherlands: J. W. BEYEN

For the United Kingdom of Great Britain and Northern-Ireland: ANTHONY EDEN

Protocol No. II on Forces of Western European Union

His Majesty the King of the Belgians, the President of the French Republic, President of the French Union, the President of the Federal Republic of Germany, the President of the Italian Republic, Her Royal Highness the Grand Duchess of Luxembourg, Her Majesty the Queen of the Netherlands, and Her Majesty the Queen of the United Kingdom of Great Britain and Northern Ireland and of Her other Realms and Territories, Head of the Commonwealth, Signatories of the Protocol Modifying and Completing the Brussels Treaty,

Having consulted the North Atlantic Council,
Have appointed,
Have agreed as follows:

Article 1

1. The land and air forces which each of the High Contracting Parties to the present Protocol shall place under the Supreme Allied Commander Europe in peacetime on the mainland of Europe shall not exceed in total strength and number of formations:

- (a) for Belgium, France, the Federal Republic of Germany, Italy and the Netherlands, the maxima laid down for peacetime in the Special Agreement annexed to the Treaty on the Establishment of a European Defence Community signed at Paris, on 27th May, 1952; and
- (b) for the United Kingdom, four divisions and the Second Tactical Air Force;
- (c) for Luxembourg, one regimental combat team.

2. The number of formations mentioned in paragraph 1 may be brought up to date and adapted as necessary to make them suitable for the North Atlantic Treaty Organization, provided that the equivalent fighting capacity and total strengths are not exceeded.

3. The statement of these maxima does not commit any of the High Contracting Parties to build up or maintain forces at these levels, but maintains their right to do so if required.

Article 2

As regards naval forces, the contribution to NATO Commands of each of the High Contracting

Parties to the present Protocol shall be determined each year in the course of the Annual Review (which takes into account the recommendations of the NATO military authorities). The naval forces of the Federal Republic of Germany shall consist of the vessels and formations necessary for the defensive missions assigned to it by the North Atlantic Treaty Organization within the limits laid down in the Special Agreement mentioned in Article 1, or equivalent fighting capacity.

Article 3

If at anytime during the Annual Review recommendations are put forward, the effect of which would be to increase the level of forces above the limits specified in Articles 1 and 2, the acceptance by the country concerned of such recommended increases shall be subject to the unanimous approval of the High Contracting Parties to the present Protocol expressed either in the Council of Western European Union or in the North Atlantic Treaty Organization.

Article 4

In order that it may establish that the limits specified in Articles 1 and 2 are being observed, the Council of Western European Union will regularly receive information acquired as a result of inspections carried out by the Supreme Allied Commander Europe. Such information will be transmitted by a high-ranking officer designated for the purpose by the Supreme Allied Commander Europe.

Article 5

The strength and armaments of the internal defence and police forces on the mainland of Europe of the High Contracting Parties to the present Protocol shall be fixed by agreements within the Organization of Western European Union, having regard to their proper functions and needs and to their existing levels.

Article 6

Her Majesty the Queen of the United Kingdom of Great Britain and Northern Ireland will continue to maintain on the mainland of Europe, including Germany, the effective strength of the United Kingdom forces which are now assigned to the Supreme Allied Commander Europe, that is to say four divisions and the Second Tactical Air Force, or such other forces as the Supreme Allied Commander Europe regards as having equivalent fighting capacity. She undertakes not to withdraw these forces against the wishes of the majority of the High Contracting Parties who should take their decision in the knowledge of the views of the Supreme Allied Commander Europe. This undertaking shall not, however, bind her in

the event of an acute overseas emergency. If the maintenance of the United Kingdom forces on the mainland of Europe throws at any time too great a strain on the external finances of the United Kingdom, she will, through Her Government in the United Kingdom of Great Britain and Northern Ireland, invite the North Atlantic Council to review the financial conditions on which the United Kingdom formations are maintained.

IN WITNESS WHEREOF, the above-mentioned Plenipotentiaries have signed the present Protocol, being one of the Protocols listed in Article I of the Protocol Modifying and Completing the Treaty, and have affixed thereto their seals.

DONE at Paris this 23rd day of October, 1954, in two texts, in the English and French languages, each text being equally authoritative, in a single copy, which shall remain deposited in the archives of the Belgian Government and of which certified copies shall be transmitted by that Government to each of the other Signatories.

[Signatures same as in Protocol No. I.]

Protocol No. III on the Control of Armaments

His Majesty the King of the Belgians, the President of the French Republic, President of the French Union, the President of the Federal Republic of Germany, the President of the Italian Republic, Her Royal Highness the Grand Duchess of Luxembourg, Her Majesty the Queen of the Netherlands, Her Majesty the Queen of the United Kingdom of Great Britain and Northern Ireland and of Her other Realms and Territories, Head of the Commonwealth, Signatories of the Protocol Modifying and Completing the Brussels Treaty,

Have appointed ,

Have agreed as follows:

Part I—Armaments not to be manufactured

Article 1

The High Contracting Parties, members of Western European Union, take note of and record their agreement with the Declaration of the Chancellor of the Federal Republic of Germany (made in London on 3rd October 1954, and annexed hereto as Annex I)^{6a} in which the Federal Republic of Germany undertook not to manufacture in its territory atomic, biological and chemical weapons. The types of armaments referred to in this

^{6a} *London and Paris Agreements*, p. 46; BULLETIN of Oct. 11, 1954, p. 519.

Article are defined in Annex II.⁷ These armaments shall be more closely defined and the definitions brought up to date by the Council of Western European Union.

Article 2

The High Contracting Parties, members of Western European Union, also take note of and record their agreement with the undertaking given by the Chancellor of the Federal Republic of Germany in the same Declaration that certain further types of armaments will not be manufactured in the territory of the Federal Republic of Germany, except that if in accordance with the needs of the armed forces a recommendation for an amendment to, or cancellation of, the content of the list of these armaments is made by the competent Supreme Commander of the North Atlantic Treaty Organization, and if the Government of the Federal Republic of Germany submits a request accordingly, such an amendment or cancellation may be made by a resolution of the Council of Western European Union passed by a two-thirds majority. The types of armaments referred to in this Article are listed in Annex III.⁸

Part II—Armaments to be controlled

Article 3

When the development of atomic, biological and chemical weapons in the territory on the mainland of Europe of the High Contracting Parties who have not given up the right to produce them has passed the experimental stage and effective production of them has started there, the level of stocks that the High Contracting Parties concerned will be allowed to hold on the mainland of Europe shall be decided by a majority vote of the Council of Western European Union.

Article 4

Without prejudice to the foregoing Articles, the types of armaments listed in Annex IV will be controlled to the extent and in the manner laid down in Protocol No. IV.

Article 5

The Council of Western European Union may vary the list in Annex IV by unanimous decision.

IN WITNESS WHEREOF, the above-mentioned Plenipotentiaries have signed the present Protocol, being one of the Protocols listed in Article I of the Protocol Modifying and Completing the Treaty, and have affixed thereto their seals.

DONE at Paris on the 23rd day of October 1954, in two texts, in the English and French languages, each text being equally authoritative, in a single

⁷ *London and Paris Agreements*, p. 47.

⁸ *Ibid.*, p. 48.

copy, which shall remain deposited in the archives of the Belgian Government and of which certified copies shall be transmitted by that Government to each of the other Signatories.

[Signatures same as in Protocol No. I.]

Protocol No. IV on the Agency of Western European Union for the Control of Armaments

His Majesty the King of the Belgians, the President of the French Republic, President of the French Union, the President of the Federal Republic of Germany, the President of the Italian Republic, Her Royal Highness the Grand Duchess of Luxembourg, Her Majesty the Queen of the Netherlands, Her Majesty the Queen of the United Kingdom of Great Britain and Northern Ireland and of Her other Realms and Territories, Head of the Commonwealth, Signatories of the Protocol Modifying and Completing the Brussels Treaty,

Having agreed in accordance with Article IV of the Protocol Modifying and Completing the Treaty, to establish an Agency for the Control of Armaments,

Have appointed

Have agreed as follows:

Part I—Constitution

Article 1

The Agency for the Control of Armaments (hereinafter referred to as "the Agency") shall be responsible to the Council of Western European Union (hereinafter referred to as "the Council"). It shall consist of a Director assisted by a Deputy Director, and supported by a staff drawn equitably from nationals of the High Contracting Parties, Members of Western European Union.

Article 2

The Director and his staff, including any officials who may be put at the disposal of the Agency by States Members, shall be subject to the general administrative control of the Secretary General of Western European Union.

Article 3

The Director shall be appointed by unanimous decision of the Council for a period of five years and shall not be eligible for re-appointment. He shall be responsible for the selection of his staff in accordance with the principle mentioned in Article 1 and in consultation with the individual States Members concerned. Before filling the posts of Deputy Director and of the Heads of Departments of the Agency, the Director shall

obtain from the Council approval of the persons to be appointed.

Article 4

1. The Director shall submit to the Council, through the Secretary General, a plan for the organization of the Agency. The organization should provide for departments dealing respectively with:

- (a) the examination of statistical and budgetary information to be obtained from the members of Western European Union and from the appropriate NATO authorities;
- (b) inspections, test checks and visits;
- (c) administration.

2. The organization may be modified by decision of the Council.

Article 5

The costs of maintaining the Agency shall appear in the budget of Western European Union. The Director shall submit, through the Secretary General, to the Council an annual estimate of these costs.

Article 6

Officials of the Agency shall be bound by the full NATO code of security. They shall in no circumstances reveal information obtained in connexion with the execution of their official tasks except and only in the performance of their duties towards the Agency.

Part II—Functions

Article 7

1. The tasks of the Agency shall be:

- (a) to satisfy itself that the undertakings set out in Protocol No. III not to manufacture certain types of armaments mentioned in Annexes II and III to that Protocol are being observed;
- (b) to control, in accordance with Part III of the present Protocol, the level of stocks of armaments of the types mentioned in Annex IV to Protocol No. III held by each member of Western European Union on the mainland of Europe. This control shall extend to production and imports to the extent required to make the control of stocks effective.

2. For the purposes mentioned in paragraph 1 of this Article, the Agency shall:

- (a) scrutinise statistical and budgetary information supplied by members of Western European Union and by the NATO authorities;
- (b) undertake on the mainland of Europe test checks, visits and inspections at production plants, depots and forces (other

than depots or forces under NATO authority);
(c) report to the Council.

Article 8

With respect to forces and depots under NATO authority, test checks, visits and inspections shall be undertaken by the appropriate authorities of the North Atlantic Treaty Organization. In the case of the forces and depots under the Supreme Allied Commander Europe, the Agency shall receive notification of the information supplied to the Council through the medium of the high-ranking officer to be designated by him.

Article 9

The operations of the Agency shall be confined to the mainland of Europe.

Article 10

The Agency shall direct its attention to the production of end-items and components listed in Annexes II, III and IV of Protocol No. III, and not to processes. It shall ensure that materials and products destined for civilian use are excluded from its operations.

Article 11

Inspections by the Agency shall not be of a routine character, but shall be in the nature of tests carried out at irregular intervals. Such inspections shall be conducted in a spirit of harmony and co-operation. The Director shall propose to the Council detailed regulations for the conduct of the inspections providing, inter alia, for due process of law in respect of private interests.

Article 12

For their test checks, visits and inspections the members of the Agency shall be accorded free access on demand to plants and depots, and the relevant accounts and documents shall be made available to them. The Agency and national authorities shall co-operate in such checks and inspections, and in particular national authorities may, at their own request, take part in them.

Part III—Levels of Stocks of Armaments

Article 13

1. Each member of Western European Union shall, in respect of its forces under NATO authority stationed on the mainland of Europe, furnish annually to the Agency statements of:

- (a) the total quantities of armaments of the types mentioned in Annex IV to Protocol No. III required in relation to its forces;
- (b) the quantities of such armaments cur-

- rently held at the beginning of the control years;
- (c) the programmes for attaining the total quantities mentioned in (a) by:
- (i) manufacture in its own territory;
 - (ii) purchase from another country;
 - (iii) end-item aid from another country.

2. Such statements shall also be furnished by each member of Western European Union in respect of its internal defence and police forces and its other forces under national control stationed on the mainland of Europe including a statement of stocks held there for its forces stationed overseas.

3. The statements shall be correlated with the relevant submissions to the North Atlantic Treaty Organization.

Article 14

As regards the forces under NATO authority, the Agency shall verify in consultation with the appropriate NATO authorities that the total quantities stated under Article 13 are consistent with the quantities recognised as required by the units of the members concerned under NATO authority, and with the conclusions and data recorded in the documents approved by the North Atlantic Council in connexion with the NATO Annual Review.

Article 15

As regards internal defence and police forces, the total quantities of their armaments to be accepted as appropriate by the Agency shall be those notified by the members, provided that they remain within the limits laid down in the further agreements to be concluded by the members of Western European Union on the strength and armaments of the internal defence and police forces on the mainland of Europe.

Article 16

As regards other forces remaining under national control, the total quantities of their armaments to be accepted as appropriate by the Agency shall be those notified to the Agency by the members.

Article 17

The figures furnished by members for the total quantities of armaments under Articles 15 and 16 shall correspond to the size and mission of the forces concerned.

Article 18

The provisions of Articles 14 and 17 shall not apply to the High Contracting Parties and to the categories of weapons covered in Article 3 of Protocol No. III. Stocks of the weapons in question shall be determined in conformity with the

procedure laid down in that Article and shall be notified to the Agency by the Council of the Western European Union.

Article 19

The figures obtained by the Agency under Articles 14, 15, 16 and 18 shall be reported to the Council as appropriate levels for the current control year for the members of Western European Union. Any discrepancies between the figures stated under Article 13, paragraph 1, and the quantities recognised under Article 14 will also be reported.

Article 20

1. The Agency shall immediately report to the Council if inspection, or information from other sources, reveals:

(a) the manufacture of armaments of a type which the member concerned has undertaken not to manufacture;

(b) the existence of stocks of armaments in excess of the figures and quantities ascertained in accordance with Articles 19 and 22.

2. If the Council is satisfied that the infraction reported by the Agency is not of major importance and can be remedied by prompt local action, it will so inform the Agency and the member concerned, who will take the necessary steps.

3. In the case of other infractions, the Council will invite the member concerned to provide the necessary explanation within a period to be determined by the Council; if this explanation is considered unsatisfactory, the Council will take the measures which it deems necessary in accordance with a procedure to be determined.

4. Decisions of the Council under this Article will be taken by majority vote.

Article 21

Each member shall notify to the Agency the names and locations of the depots on the mainland of Europe containing armaments subject to control and of the plants on the mainland of Europe manufacturing such armaments, or, even though not in operation, specifically intended for the manufacture of such armaments.

Article 22

Each member of Western European Union shall keep the Agency informed of the quantities of armaments of the types mentioned in Annex IV to Protocol No. III, which are to be exported from its territory on the mainland of Europe. The Agency shall be entitled to satisfy itself that the armaments concerned are in fact exported. If the level of stocks of any item subject to control appears abnormal, the Agency shall further be entitled to enquire into the orders for export.

Article 23

The Council shall transmit to the Agency information received from the Governments of the United States of America and Canada respecting military aid to be furnished to the forces on the mainland of Europe of members of Western European Union.

IN WITNESS WHEREOF, the above-mentioned Plenipotentiaries have signed the present Protocol, being one of the Protocols listed in Article I of the Protocol Modifying and Completing the Treaty, and have affixed thereto their seals.

DONE at Paris this 23rd day of October 1954, in two texts, in the English and French languages, each text being equally authoritative, in a single copy, which shall remain deposited in the archives of the Belgian Government and of which certified copies shall be transmitted by that Government to each of the other Signatories.

[Signatures same as in Protocol No. I.]

Resolution on Production and Standardisation of Armaments⁹

The Governments of the Kingdom of Belgium, the French Republic, the Federal Republic of Germany, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, and the United Kingdom of Great Britain and Northern Ireland,

Anxious to increase the effectiveness of their common Defence forces to the maximum,

Desirous of ensuring the best possible use of their available armament credits by means of the rational organization of production,

Noting the importance in this connection of standardising weapons and weapon components,

Desirous of facilitating any agreements to this and between all or certain of the Seven Powers:

(1) Recall the decision taken at the London Conference to set up a Working Party to study the draft directives submitted by the French Government on 1st October 1954 and such other documents as might subsequently be submitted on the problem of the production and standardisation of armaments.

(2) Agree to convene a Working Group in Paris on the 17th January 1955 of the Representatives of Belgium, France, Italy, Luxembourg, the Netherlands, the Federal Republic of Germany and the

⁹ Adopted by the Nine-Power Conference on Oct. 21.

United Kingdom, to study the draft directives and other documents referred to in the foregoing paragraph, with a view to submitting proposals to the Council of Western European Union when it comes into being.

DOCUMENTS RELATING TO THE OCCUPATION OF THE FEDERAL REPUBLIC OF GERMANY

Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany

The United States of America, the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany agree as follows:

Article 1

The Convention on Relations between the Three Powers and the Federal Republic of Germany, the Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany, the Finance Convention, the Convention on the Settlement of Matters arising out of the War and the Occupation, signed at Bonn on 26 May 1952, the Protocol signed at Bonn on 27 June 1952 to correct certain textual errors in the aforementioned Conventions, and the Agreement on the Tax Treatment of the Forces and their Members signed at Bonn on 26 May 1952, as amended by the Protocol signed at Bonn on 26 July 1952,¹⁰ shall be amended in accordance with the five Schedules¹¹ to the present Protocol and as so amended shall enter into force (together with subsidiary documents agreed by the Signatory States relating to any of the aforementioned instruments) simultaneously with it.

Article 2

Pending the entry into force of the arrangements for the German Defence Contribution, the following provisions shall apply:

- (1) The rights heretofore held or exercised by the United States of America, the United

¹⁰ For a summary of the Bonn conventions of May 26, 1952, see BULLETIN of June 9, 1952, p. 888; for texts, see S. Executives Q and R, 82d Cong., 2d sess.

¹¹ Schedule I is entitled *Amendments to the Convention on Relations between the Three Powers and the Federal Republic of Germany*; Schedule II, *Amendments to the Convention on the Rights and Obligations of Foreign Forces and their Members in the Federal Republic of Germany*; Schedule III, *Amendments to the Finance Convention*; Schedule IV, *Amendments to the Convention on the Settlement of Matters Arising out of the War and the Occupation*; Schedule V, *Amendments to the Agreement on the Tax Treatment of the Forces and their Members*.

For texts, see *London and Paris Agreements*, pp. 65-94.

Kingdom of Great Britain and Northern Ireland and the French Republic relating to the fields of disarmament and demilitarisation shall be retained and exercised by them, and nothing in any of the instruments mentioned in Article 1 of the present Protocol shall authorize the enactment, amendment, repeal or deprivation of effect of legislation or, subject to the provisions of paragraph (2) of this Article, executive action in those fields by any other authority.

- (2) On the entry into force of the present Protocol, the Military Security Board shall be abolished (without prejudice to the validity of any action or decisions taken by it) and the controls in the fields of disarmament and demilitarisation shall thereafter be applied by a Joint Four-Power Commission to which each of the Signatory States shall appoint one representative and which shall take its decisions by majority vote of the four members.
- (3) The Governments of the Signatory States will conclude an administrative agreement which shall provide, in conformity with the provisions of this Article, for the establishment of the Joint Four-Power Commission and its staff and for the organisation of the work.

Article 3

1. The present Protocol shall be ratified or approved by the Signatory States in accordance with their respective constitutional procedures. The Instruments of Ratification or Approval shall be deposited by the Signatory States with the Government of the Federal Republic of Germany.

2. The present Protocol and subsidiary documents relating to it agreed between the Signatory States shall enter into force upon the deposit by all the Signatory States of the Instruments of Ratification or Approval as provided in paragraph 1 of this Article.

3. The present Protocol shall be deposited in the Archives of the Government of the Federal Republic of Germany, which will furnish each Signatory State with certified copies thereof and notify each State of the date of entry into force of the present Protocol.

IN FAITH WHEREOF the undersigned Representatives duly authorized thereto have signed the present Protocol.

DONE at Paris this 23rd day of October, 1954, in three texts, in the English, French and German languages, all being equally authentic.

For the United States of America:
For the United Kingdom of Great Britain and Northern Ireland:
For the French Republic:
For the Federal Republic of Germany:

JOHN FOSTER DULLES
ANTHONY EDEN
P. MENDES-FRANCE
ADENAUER

Convention on the Presence of Foreign Forces in the Federal Republic of Germany

In view of the present international situation and the need to ensure the defence of the free world which require the continuing presence of foreign forces in the Federal Republic of Germany, the United States of America, the United Kingdom of Great Britain and Northern Ireland, the French Republic and the Federal Republic of Germany agree as follows:

Article 1

1. From the entry into force of the arrangements for the German Defence Contribution, forces of the same nationality and effective strength as at that time may be stationed in the Federal Republic.

2. The effective strength of the forces stationed in the Federal Republic pursuant to paragraph 1 of this Article may at any time be increased with the consent of the Government of the Federal Republic of Germany.

3. Additional forces of the States parties to the present Convention may enter and remain in the Federal territory with the consent of the Government of the Federal Republic of Germany for training purposes in accordance with the procedures applicable to forces assigned to the Supreme Allied Commander, Europe, provided that such forces do not remain there for more than thirty days at any one time.

4. The Federal Republic grants to the French, the United Kingdom and the United States forces the right to enter, pass through and depart from the territory of the Federal Republic in transit to or from Austria (so long as their forces continue to be stationed there) or any country Member of the North Atlantic Treaty Organization, on the same basis as is usual between Parties to the North Atlantic Treaty or as may be agreed with effect for all Member States by the North Atlantic Council.

Article 2

The present Convention shall be open to accession by any State not a Signatory, which had

forces stationed in the Federal territory on the date of the signature of the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany signed at Paris on 23 October 1954. Any such State, desiring to accede to the present Convention, may deposit with the Government of the Federal Republic an Instrument of Accession.

Article 3

1. The present Convention shall expire with the conclusion of a German peace settlement or if at an earlier time the Signatory States agree that the development of the international situation justifies new arrangements.
2. The Signatory States will review the terms of the present Convention at the same time and subject to the same conditions as provided for in Article 10 of the Convention on Relations between the Three Powers and the Federal Republic of Germany.

Article 4

1. The present Convention shall be ratified or approved by the Signatory States and Instruments of Ratification or Approval shall be deposited by them with the Government of the Federal Republic of Germany which shall notify each Signatory State of the deposit of each Instrument of Ratification or Approval. The present Convention shall enter into force when all the Signatory States have made such deposit and the Instrument of Accession of the Federal Republic of Germany to the North Atlantic Treaty has been deposited with the Government of the United States of America.
2. It shall also enter into force on that date as to any acceding State which has previously deposited an Instrument of Accession in accordance with Article 2 of the present Convention and, as to any other acceding State, on the date of the deposit by it of such an Instrument.
3. The present Convention shall be deposited in the Archives of the Government of the Federal Republic of Germany, which will furnish each State party to the present Convention with certified copies thereof and of the Instruments of Accession deposited in accordance with Article 2 and will notify each State of the date of the deposit of any Instrument of Accession.

IN FAITH WHEREOF the undersigned Representatives duly authorized thereto have signed the present Convention.

DONE at Paris this 23rd day of October, 1954, in three texts, in the English, French and German languages, all being equally authentic.

For the United States of America :	JOHN FOSTER DULLES
For the United Kingdom of Great Britain and Northern Ireland :	ANTHONY EDEN
For the French Republic :	P. MENDÈS-FRANCE
For the Federal Republic of Germany :	ADENAUER

Tripartite Agreement on the Exercise of Retained Rights in Germany

The Governments of the United States of America, the United Kingdom of Great Britain and Northern Ireland and the French Republic agree as follows:

1. The rights retained by the United States of America, the United Kingdom of Great Britain and Northern Ireland and the French Republic after the entry into force of the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany, which are referred to in the Convention on Relations between the Three Powers and the Federal Republic of Germany as amended by the said Protocol, will be exercised by their respective Chiefs of Mission accredited to the Federal Republic of Germany.
2. The Chiefs of Mission will act jointly in the exercise of those rights in the Federal Republic of Germany in matters the Three Powers consider of common concern under the said Protocol and the instruments mentioned in Article 1 thereof.
3. Those rights which relate to Berlin will continue to be exercised in Berlin pursuant to existing procedures, subject to any future modification which may be agreed.
4. This agreement shall enter into force upon the entry into force of the said Protocol.

DONE at Paris on the twenty-third day of October, Nineteen hundred and fifty-four in two texts, in the English and French languages, both texts being equally authentic.

For the Government of the United States of America :	JOHN FOSTER DULLES
For the Government of the United Kingdom of Great Britain and Northern Ireland :	ANTHONY EDEN
For the Government of the French Republic :	P. MENDÈS-FRANCE

FOREIGN MINISTERS' STATEMENT ON BERLIN¹²

With respect to Berlin, in addition to the Allied security guarantees for the city in the London communique of October 3, 1954, the Foreign Ministers of France, the United Kingdom and the United States have noted with deep satisfaction the close and friendly cooperation between the Allied and Berlin authorities. The Three Powers are determined to ensure the greatest possible degree of self-government in Berlin compatible with Berlin's special situation. Accordingly, the three Governments have instructed their representatives in Berlin to consult with the authorities of that city with a view to implementing jointly and to the fullest degree possible the foregoing principles.

Special NAC Ministerial Session

TEXT OF FINAL COMMUNIQUE¹³

1. The North Atlantic Council held a Ministerial Session in Paris today under the Chairmanship of Mr. Stephanos Stephanopoulos, Foreign Minister of Greece. This meeting, which was attended by Foreign Ministers and Defence Ministers of member countries, dealt with issues of vital importance for the security of the free world, and for the promotion of greater European unity, within the framework of a developing Atlantic Community. In particular, the meeting was called to approve arrangements designed to bring about the full association of the Federal Republic of Germany with the West, and a German defence contribution. On the invitation of the Council, Dr. Adenauer, Chancellor of the Federal Republic of Germany, attended the meeting as an observer.

2. The Council noted that all the agreements reached at the London Conference¹⁴ and at the subsequent meetings of the Four and Nine-Power Conferences¹⁵ form part of one general settlement which is directly or indirectly of concern to all the North Atlantic Treaty Powers and which was

¹² Issued on Oct. 23 by the Foreign Ministers of France, the United Kingdom, and the United States.

¹³ Issued at Paris on Oct. 22.

¹⁴ For text of the final act of the London Conference, see *BULLETIN* of Oct. 11, 1954, p. 515.

¹⁵ For the communique issued on Oct. 21 after the Nine Power Conference, see *ibid.*, Nov. 1, 1954, p. 638.

accordingly submitted to the Council. The Council welcomed this settlement.

3. The Council was informed of the agreement reached between the Foreign Ministers of France, the German Federal Republic, the United Kingdom and the United States of America in regard to ending the occupation regime in the Federal Republic.

4. The Council was informed of the agreement reached on the text of four protocols strengthening and extending the scope of the Brussels Treaty Organization—now Western European Union—expanded to provide for the participation of Italy and of the German Federal Republic, and on the text of accompanying documents. The Council welcomed this agreement and agreed with the provisions of the Protocols to the Brussels Treaty insofar as they involve action by the North Atlantic Council or other NATO authorities.

5. The Council welcomed the declaration made in London by the Government of the Federal Republic of Germany on 3rd October, 1954, and the related declaration made on the same occasion by the Governments of France, the United Kingdom and the United States.¹⁶ It noted with satisfaction that the representatives of the other parties to the North Atlantic Treaty have today associated themselves with the declaration of the Three Powers.

6. The Council approved a resolution to reinforce the existing machinery for the collective defence of Europe, chiefly by strengthening the powers of the Supreme Allied Commander Europe.

7. The Council approved a Protocol to the North Atlantic Treaty inviting the Federal Republic of Germany to join NATO. The Protocol will be signed tomorrow by the fourteen Foreign Ministers, and will enter into force when each of the Parties to the North Atlantic Treaty has notified the Government of the United States of America of its acceptance, and when all instruments of ratification of the Protocol Modifying and Completing the Brussels Treaty have been deposited with the Belgian Government, and when all instruments of ratification or approval of the Convention on the Presence of Foreign Forces in the Federal Republic of Germany have been deposited with the Government of the Federal Republic of Germany.

¹⁶ *Ibid.*, Oct. 11, 1954, p. 520.

8. The Council heard a statement by the Foreign Minister of Italy on the recent agreements reached on the Trieste problem.¹⁷ The value of these agreements from the Atlantic and European point of view was emphasized.

9. The Council agreed to hold its next Ministerial Meeting on or about 15th December next.

10. The Council reaffirmed that the North Atlantic Treaty remains a basic element in the foreign policies of all member governments. It agreed that there must be the closest possible co-operation between Western European Union and the North Atlantic Treaty Organization in all fields and that any duplication of the work of existing agencies of NATO will be avoided. The Council reaffirmed its unity of purpose in the pursuit of peace and progress. The present conference and the agreements reached represent a new and decisive step in the development of the Atlantic Community.

11. The text of the agreements and documents will be issued separately tomorrow, Saturday, October 23, after the signing ceremony.

White House Consultations on European and Asian Agreements

*Statement by James C. Hagerty
Press Secretary to the President*

White House press release dated October 30

The President met today with the Secretary of State; Mr. Herbert Hoover, Jr., the Under Secretary of State; Mr. Douglas MacArthur, Counselor of the State Department; Livingston T. Merchant, Assistant Secretary of State for European Affairs.

Consideration was given to further constitutional procedures with reference to the agreements designed to restore sovereignty to Germany and to bring Germany into the North Atlantic Treaty Alliance. Similar discussion and consideration was given to the Manila Pact for collective security in Southeast Asia.

The President decided to transmit all of the relevant documents in both these matters to the Senate following its reconvening on November 8th. This is being done with a view to obtaining

the advice and consent of the Senate to the ratification of such of these instruments as require Senate action.

The President hopes that the Senate will refer these instruments to the Foreign Relations Committee for study and report so that the full Senate would be able to act promptly on these matters when it meets for its new session in January.

Reply to U.S.S.R. on "Atoms for Peace" Program

News Conference Statement by the President

White House press release dated November 3

I thought you might be interested in knowing about recent developments in the "Atoms for Peace" program of the United States.

Today John Foster Dulles, the Secretary of State, is delivering to Mr. Zaroubin, the Soviet Ambassador, our reply¹ to the Soviet aide memoire of September 22d.² You will recall that this Soviet message indicated that they apparently wanted to renew the negotiations to implement the proposal which I made to the United Nations last December³ for an international pool of fissionable material and information. I hope that this will start a new phase in the U.S.-U.S.S.R. negotiations which will be more fruitful than the first phase, during which the Soviets showed a lack of interest in cooperating with the United States to further international cooperation in developing the peaceful uses of atomic energy.

Later on this week Ambassador Cabot Lodge is going to give a report on American preliminary plans in connection with the international agency in the Political Committee of the United Nations.⁴ This great project is very close to my heart, and I am glad to see that we are making good progress toward establishing the agency. We are determined to get on with this international project whether or not the Soviets participate.

I am glad to be able to tell you also that Morehead Patterson of New York has agreed to serve under Mr. Dulles, in the Department of State, as United States representative to conduct the diplo-

¹ Not printed.

² BULLETIN of Oct. 4, 1954, p. 486.

³ *Ibid.*, Dec. 21, 1953, p. 847.

⁴ See p. 742.

¹⁷ For text of the agreements, see *ibid.*, Oct. 18, 1954, p. 556.

matic negotiations looking to United States participation in the International Atomic Energy Agency. I am going to see Mr. Patterson tomorrow to tell him about the great importance which I attach to this International Atomic Energy Agency.

Letters of Credence

Spain

The newly appointed Ambassador of Spain, Don José Maria Areilza, Count of Motrico, presented his credentials to the President on November 6. For the text of the Ambassador's remarks and the text of the President's reply, see Department of State press release 630.

U.K.-Egyptian Agreement Regarding Suez Canal Base

STATEMENT BY SECRETARY DULLES

Press release 594 dated October 19

The signing of the final agreement between Egypt and the United Kingdom on the Suez Base is an event of far-reaching importance and an occasion for renewed congratulations to both countries.

This action, following the initialing of the agreement in principle last July,¹ marks the successful resolution of a problem which has existed in some form for many years. Its solution has been facilitated by the development of a spirit of mutual confidence between the two countries which augurs well for their future relations.

I believe that the removal of this deterrent to closer cooperation will open a new approach to peaceful relations between the Near Eastern states and other nations of the free world. It is my hope that this cooperation may now develop fully to the mutual advantage of all concerned and will strengthen the stability and security of the area.

Egypt now assumes new and fuller responsibilities as the military base in the Suez Canal Zone passes from British to Egyptian control. I am pleased to note that in accepting these responsibili-

¹ BULLETIN of Aug. 9, 1954, p. 198.

ties Egypt has reiterated in the agreement its adherence to the principle of freedom of transit through the Canal in conformity with the 1888 convention.

TEXT OF MAIN AGREEMENT²

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Egypt,

Desiring to establish Anglo-Egyptian relations on a new basis of mutual understanding and firm friendship,

Have agreed as follows:

Article 1

Her Majesty's Forces shall be completely withdrawn from Egyptian territory in accordance with the Schedule set forth in Part A of Annex I within a period of twenty months from the date of signature of the present Agreement.

Article 2

The Government of the United Kingdom declare that the Treaty of Alliance signed in London on the 26th of August 1936, with the Agreed Minute, Exchanged Notes, Convention concerning the immunities and privileges enjoyed by the British Forces in Egypt and all other subsidiary agreements, is terminated.

Article 3

Parts of the present Suez Canal Base, which are listed in Appendix A to Annex II, shall be kept in efficient working order and capable of immediate use in accordance with the provisions of Article 4 of the present agreement. To this end they shall be organised in accordance with the provisions of Annex II.

Article 4

In the event of an armed attack by an outside Power on any country which at the date of signature of the present Agreement is a party to the Treaty of Joint Defence between Arab League States, signed in Cairo on the 13th of April 1950, or on Turkey, Egypt shall afford to the United Kingdom such facilities as may be necessary in order to place the Base on a war footing and to operate it effectively. These facilities shall include the use of Egyptian ports within the limits of what is strictly indispensable for the above-mentioned purposes.

Article 5

In the event of the return of British Forces to the Suez Canal Base area in accordance with the provisions of Article 4, these forces shall withdraw immediately upon the cessation of the hostilities referred to in that Article.

² For texts of an annex on withdrawal, an annex on the organization of the Base, 17 exchanges of notes, and an agreed minute, see British Command Paper 9298.

Article 6

In the event of a threat of an armed attack by an outside Power on any country which at the date of signature of the present Agreement is a party to the Treaty of Joint Defence between Arab League States or on Turkey, there shall be immediate consultation between Egypt and the United Kingdom.

Article 7

The Government of the Republic of Egypt shall afford over-flying, landing and servicing facilities for notified flights of aircraft under Royal Air Force control. For the clearance of any flights of such aircraft, the Government of the Republic of Egypt shall accord treatment no less favourable than that accorded to the aircraft of any other foreign country with the exception of States parties to the Treaty of Joint Defence between Arab League States. The landing and servicing facilities mentioned above shall be afforded at Egyptian Airfields in the Suez Canal Base area.

Article 8

The two Contracting Governments recognise that the Suez Maritime Canal, which is an integral part of Egypt, is a waterway economically, commercially and strategically of international importance, and express the determination to uphold the Convention guaranteeing the freedom of navigation of the Canal signed at Constantinople on the 29th of October 1888.

Article 9

(a) The United Kingdom is accorded the right to move any British equipment into or out of the Base at its discretion.

(b) There shall be no increase above the level of supplies as agreed upon in Part C of Annex II without the consent of the Government of the Republic of Egypt.

Article 10

The present Agreement does not affect and shall not be interpreted as affecting in any way the rights and obligations of the parties under the Charter of the United Nations.

Article 11

The Annexes and Appendices to the present Agreement shall be considered as an integral part of it.

Article 12

(a) The present Agreement shall remain in force for the period of seven years from the date of its signature.

(b) During the last twelve months of that period the two Contracting Governments shall consult together to decide on such arrangements as may be necessary upon the termination of the Agreement.

(c) Unless both the Contracting Governments agree upon any extension of the Agreement it shall terminate seven years after the date of signature and the Government of the United Kingdom shall take away or dispose of their property then remaining in the Base.

Article 13

The present Agreement shall have effect as though it had come into force on the date of signature. Instruments of ratification shall be exchanged in Cairo as soon as possible.

In witness whereof the undersigned, being duly authorised thereto, have signed the present Agreement and have affixed thereto their seals.

Done at Cairo, this nineteenth day of October, 1954, in duplicate, in the English and Arabic languages, both texts being equally authentic.

ANTHONY NUTTING.
RALPH SKRINE STEVENSON.
E. R. BENSON.

GAMAL ABDEL NASSER.
ABDEL HAKIM AMER.
ABDEL LATIF BAGHDADI.
SALAH SALEM.
MAHMOUD FAWZI.

U.S. Aid to Viet-Nam

U.S. Ambassador Donald R. Heath on October 23 delivered the following message from President Eisenhower to Ngo Dinh Diem, President of the Council of Ministers of Viet-Nam:

DEAR MR. PRESIDENT: I have been following with great interest the course of developments in Viet-Nam, particularly since the conclusion of the conference at Geneva. The implications of the agreement concerning Viet-Nam have caused grave concern regarding the future of a country temporarily divided by an artificial military grouping, weakened by a long and exhausting war and faced with enemies without and by their subversive collaborators within.

Your recent requests for aid to assist in the formidable project of the movement of several hundred thousand loyal Vietnamese citizens away from areas which are passing under a *de facto* rule and political ideology which they abhor, are being fulfilled. I am glad that the United States is able to assist in this humanitarian effort.

We have been exploring ways and means to permit our aid to Viet-Nam to be more effective and to make a greater contribution to the welfare and stability of the Government of Viet-Nam. I am, accordingly, instructing the American Ambassador to Viet-Nam to examine with you in your capacity as Chief of Government, how an intelligent program of American aid given directly to your Government can serve to assist Viet-Nam in its present hour of trial, provided that your Government is prepared to give assurances as to the standards of performance it would be able to maintain in the event such aid were supplied.

The purpose of this offer is to assist the Government of Viet-Nam in developing and maintaining a strong, viable state, capable of resisting attempted subversion or aggression through military means. The Government of the United States expects that this aid will be met by performance on the part of the Government of Viet-Nam in undertaking needed reforms. It hopes that such

aid, combined with your own continuing efforts, will contribute effectively toward an independent Viet-Nam endowed with a strong government. Such a government would, I hope, be so responsive to the nationalist aspirations of its people, so enlightened in purpose and effective in performance, that it will be respected both at home and abroad and discourage any who might wish to impose a foreign ideology on your free people.

Sincerely,

DWIGHT D. EISENHOWER

With reference to the President's remarks concerning the provision of American aid directly to the Vietnamese Government, the decision was announced in a joint communique issued at Washington on September 29 at the end of the U.S.-French talks on Indochina¹ that the channel for French and for United States economic aid, financial support, and other assistance to Cambodia, Laos, and Viet-Nam would be direct to each state. It was also announced that the United States representatives would begin discussions soon with the respective governments of the three States regarding direct aid.

United States economic assistance to Viet-Nam, as well as to Cambodia and Laos, has been provided directly to these states for some time.

United States financial assistance for the support of the armed forces of Viet-Nam, Cambodia, and Laos, however, has until now been provided through the French Government. As soon as arrangements can be made, financial support for the Vietnamese National Army will be provided directly to the Government of Viet-Nam, as will be done in the case of Cambodia and Laos.

The decision to provide assistance through direct channels conforms with the sense of Congress as expressed in the Mutual Security Act of 1954, which provides that, as far as possible, assistance furnished to Cambodia, Laos, and Viet-Nam should be direct. It also conforms with the previously expressed wishes of the Vietnamese Government, which signified its full accord with the decision.

Relative to the President's reference to United States assistance in the movement of Vietnamese citizens from areas passing under Communist military control, the number so far evacuated, largely through assistance provided to the Vietnamese Government by the United States and France, now comes to over 400,000. Of these, approxi-

¹ BULLETIN of Oct. 11, 1954, p. 534.

mately 140,000 have been evacuated by the U.S. Navy. The United States is also assisting the Government of Viet-Nam in the resettlement of refugees.

Settlement of Debts Represented by German Dollar Bonds

Press release 573 dated October 12

The Allied High Commission for Germany announced on October 1 that the Combined Steel Group had approved and issued an order under Allied High Commission Law 27 for the settlement of the debts represented by the U. S. dollar bonds issued by the Vereinigte Stahlwerke A.G. and one of its subsidiaries.

The settlement will result in transferring the debts in the total amount of approximately \$25 million to nine of the new companies which were formed out of the assets of Vereinigte Stahlwerke A.G., i. L.

There will be no joint liability for the new debts, but the companies concerned will each issue new bonds expressed in dollars to the amount of their liability and will deliver these new bonds to depositories in the United States, the Irving Trust Company and the National City Bank of New York. The depositories will in turn issue participation certificates to the holders of bonds which have been validated in accordance with the validation law for German foreign currency bonds, in exchange for the old bonds, giving each such bondholder an undivided interest in the new obligation held by the depository.

Since participation certificates will be issued only for validated bonds, all holders of old bonds are urged to register them for validation as soon as possible with the Validation Board for German Dollar Bonds, 30 Broad Street, New York, N. Y. The depositories will collect the interest due and the amortization payments for transmittal to the holders of the participation certificates.

A guaranty has been given by the Kreditanstalt fuer Wiederaufbau, Frankfurt/Main, that the deutschemark equivalent of the payments of interest and principal will be forthcoming on the due date.

The new obligation will bear interest as provided for by the London agreement of February

27, 1953, and will mature on January 1, 1968.

Claimants who do not agree with this procedure may appeal to the Board of Review as provided for in the Allied High Commission Laws 27 and

76 within 6 months of the date of issue of the order. Such appeals may be addressed to the board in care of the Allied High Commission at Bonn, Germany.

Some Problems of Charter Review

by David W. Wainhouse

*Deputy Assistant Secretary for International Organization Affairs*¹

First, let me commend your initiative in organizing this seminar. In meeting here today to study the problems of charter review, you are answering the call of the Secretary of State to contribute your views to your Government. This is a great tribute to the working of responsible American democracy.

Those who participated in the founding of the United Nations in San Francisco in 1945 have not forgotten the warmth of your hospitality and the beauty of your city. Your consideration of the many problems of charter review should be especially well informed because so many of you were able to observe at close hand the birth of the United Nations.

Secretary Dulles, as you know, has already stated that he favors the holding of a review conference. If the General Assembly next fall votes in favor of holding the conference, as is expected, it will presumably take place either in 1956 or at least by 1957.

Meanwhile, the task of preparation has been undertaken. The Secretary has called upon the American public to help develop the position which the United States should take at the review conference. This in itself is an historic step in foreign affairs. It was not so long ago that the conduct of foreign affairs was regarded as the domain of a privileged few. Now it is becoming

more and more responsive to public opinion. Foreign policy in our country is just as effective as the public opinion which supports it. We cannot and do not expect support in such a far-reaching area as charter review without an informed public opinion. That is the way our democracy works.

We are not convinced by arguments that the subject matter is too technical or too controversial for the American public. We believe that, just because it is technical and controversial, it should be discussed as widely and fully as possible. In our society it is far more desirable to debate an issue without settling it than to settle an issue without debating it. The American people today are debating issues of foreign policy and, more than they realize, are helping to condition foreign policy through their debates. Policy makers in the Government are in a better position than ever before to assess and give weight to public opinion in their efforts to find solutions to these problems.

I am glad to report that preparations for the review conference are moving ahead on many fronts. As the result of an overwhelming vote in the General Assembly of last year,² the United Nations Secretariat is now preparing important background documentation in connection with the charter review conference. This will include the publication of some unpublished documents of the original San Francisco Conference in 1945, a survey of present duties of United Nations organs,

¹ Address made before the Bay Area Citizens Committee for U.N. Charter Review, San Francisco State College, San Francisco, Calif., on Oct. 23 (press release 596 dated Oct. 21).

² For text of resolution (A/Resolution/133 dated Nov. 28, 1953), see BULLETIN of Dec. 28, 1953, p. 909.

and a detailed index of the San Francisco Conference documents. This preparatory work can give all members of the United Nations a general idea of the practical adjustments to changing circumstances which have been made in carrying out the provisions of the charter. It can show to what extent the charter has adaptability and capacity for development as a constitutional instrument. It should help clarify where the imperfections of the charter are. And it should show what deficiencies in the charter can be corrected either by changes in the charter or in the rules of procedure.

The policies which the United States will follow at the conference will be determined after the democratic consensus in this country, to which I referred earlier, has made itself felt on the important problems. One of the most effective means in developing this consensus has been the Subcommittee of the Senate Foreign Relations Committee, chaired by Senator Wiley. Under its able Chief of Staff, Dr. Francis Wilcox, it has already completed four excellent studies—on the veto, the development of the United Nations Charter, membership, and representation and voting in the General Assembly.³ These are required reading for all those interested in the subject of charter review.

The Senate Subcommittee itself has been tapping the grass roots of public opinion by holding hearings in many States and areas throughout the United States. Hearings have already been held in Akron, Milwaukee, Greensboro, Louisville, Des Moines, and Minneapolis.⁴ Others are scheduled

during the coming months, and I understand that one will be held here in San Francisco. The Subcommittee has already published some 900 pages of these hearings. They reflect a surprising amount of local interest in the subject in these widely scattered parts of the United States. Everyone has an opportunity to present his views. Many divergent viewpoints are expressed. When the Subcommittee finishes its hearings and studies, its report will be awaited with great interest.

The work of the Senate Subcommittee is being supplemented by that of private organizations, such as the Brookings Institution and the Carnegie Endowment for International Peace. These are supporting, or are themselves preparing, serious and detailed studies and are holding seminars with a view to placing their findings at the disposal of our Government. The Department of State is also preparing detailed studies of the problems which relate to charter review. Thus, with an enlightened and informed public opinion, with the recommendations of the Senate Foreign Relations Committee, and the studies of the private organizations, we expect that sometime late in 1955 we will be ready to consult in detail on our specific proposals with our free world allies.

Charter review is basically a political problem. It must be considered in the context of existing relations among states and the demands of the world situation from the standpoint not only of United States interests but also of the parallel interests of the rest of the free world. The United Nations is a voluntary association of sovereign states. It depends on the free cooperation of its members for implementation of its decisions. Care must therefore be taken at a review conference to avoid action which would jeopardize this cooperation and to assure that the decisions reached will contribute to, rather than detract from, the free world's sense of common interest. If the charter review conference is to succeed as an instrument for strengthening the United Nations, it can only do so if the views of other members of the free world are taken fully into account. As Secretary Dulles has aptly put it:

... while a charter review conference should be welcomed as a means of strengthening the United Nations, difference of opinion about how to do this should not then be pressed to a point such that the review conference would result in undermining the United Nations or dis-

³ The first four studies are: *The Problem of the Veto in the United Nations Security Council* (Feb. 19, 1954); *How the United Nations Charter Has Developed* (May 18, 1954); *The Problem of Membership in the United Nations* (May 21, 1954); and *Representation and Voting in the United Nations General Assembly* (September 1954). A fifth study has now been published: *Pacific Settlement of Disputes in the United Nations* (Oct. 17, 1954).

⁴ *Review of the United Nations Charter: Hearing Before a Subcommittee of the Senate Committee on Foreign Relations on Proposals To Amend or Otherwise Modify Existing International Peace and Security Organizations, Including the United Nations*. Part 1: Testimony of John Foster Dulles, Secretary of State, and Henry Cabot Lodge, Jr., U. S. Representative to the United Nations, Jan. 18 and Mar. 3, 1954; Part 2: Akron, Ohio, Feb. 12, 1954; Part 3: Milwaukee, Wis., Apr. 10, 1954; Part 4: Greensboro, N. C., May 15, 1954; Part 5: Louisville, Ky., June 7, 1954; Part 6: Des Moines, Iowa, June 19, 1954; Part 7, Minneapolis, Minn., July 10, 1954.

rupting it. The United Nations as it is, is better than no United Nations at all.⁵

Scope of Review

This brings me to the question of what the scope of charter review should be. Should charter review be approached with the thought of doing very little or very much by way of changing the United Nations?

Anyone is, of course, free to suggest any proposal no matter how extreme. We know that there are those who feel that the failure of the United Nations to fulfill all their earlier hopes derives from the fact that it does not go far enough. They advocate its transformation from a voluntary organization of sovereign states into some sort of superstate. At the other extreme are those who are basically skeptical of all worldwide efforts toward international cooperation. They would like to see the United States withdraw from the United Nations. Still others would like to see the U. S. S. R. and its satellites expelled and the United Nations turned into a closely knit military alliance.

While, as I say, these advocates are entitled to express their opinion, we have already found it helpful to think in terms of excluding such proposals from the proper scope of charter review. We believe that the purpose of such review is to strengthen the existing organization, not to destroy it or completely change its character. To try to write a completely new charter would, as the Secretary of State has put it, "open a Pandora's box." The chances of bringing together in a new organization anything approaching the present membership of the United Nations would not be good.

We have made it clear to the General Assembly that we favor *review* of the charter and not necessarily *revision*. As our representative expressed it, "We do not know now whether changes in the Charter will be desirable or possible. . . ." Other countries also have seen the question as one of holding a general conference to survey the charter in the light of the United Nations experience since 1945—to look it over, without any advance commitments or preconceived notions favoring amendment. This is still our basic approach to the problem of charter review. We reject the viewpoint

of the Soviet bloc, which has opposed even discussion of charter review, misconstruing it as a campaign to amend the charter, and to amend it in one particular—by eliminating the veto.

No decision has yet been taken on what amendments to the charter, if any, the United States should advocate. The past 9 years' experience in the United Nations points to certain major questions as likely to arise at any review conference. Let me draw your attention to some of these questions in the hope that you might find it useful in the course of your discussions today.

1. Membership

One of these questions is the scope of the United Nations membership. Nine years ago the United Nations was in a sense much more nearly universal than it is now. Since 1945, many new nations have come into being. A number of the ex-enemy states, excluded from original membership in the United Nations, are again becoming accepted members of the world community. There are now 19 applicants for United Nations membership. Fourteen of these would have become members save for the Soviet veto. The other five—sponsored by the Soviet Union—have never received a majority vote since it has not been thought they met the charter qualifications for membership. This impasse with respect to new members has caused growing concern.

Would it be desirable to make membership in the United Nations as nearly universal as possible, always remembering, of course, that there are some countries that still completely disregard accepted standards of international conduct? Does article 4 of the charter, which speaks of "peace-loving states" who are "able and willing" to carry out the obligations of the charter, set forth the proper criteria for membership? Should the veto on the admission of new members be eliminated? You will recall that the Vandenberg Resolution of June 11, 1948, recommended a voluntary agreement among the five permanent members of the Security Council to remove the veto in this respect, but there has never been such voluntary agreement.

2. Security

It is all too apparent that the Security Council has been unable in this sharply divided world to exercise its "primary responsibility for the maintenance of international peace and security." Are there any feasible charter changes that would en-

⁵ BULLETIN of Feb. 1, 1954, p. 172.

able the Council to discharge more effectively this responsibility? Or should we rely on alternative arrangements? For example, could the charter provisions for membership and voting in the Council be improved?

It is theoretically possible to propose changes, including additions, in the membership of the five permanent members of the Security Council. But such proposals, even if they are not vetoed by one of the present permanent members, do not affect the heart of the problem—that the Soviet abuse of the veto has seriously impaired the Security Council in the security field.

Perhaps some progress can be made in limiting the area of political problems subject to the veto. For example, should the veto be removed from the pacific settlement of disputes under chapter 6 of the charter? This was also recommended by the Vandenberg Resolution, but no success has yet been achieved in that direction. Should we, then, leave the Security Council unchanged and concentrate instead on carrying forward the line of development begun in 1950 with the "Uniting for Peace Resolution"? This would mean assigning greater responsibility in the security field to the General Assembly, where there is no veto. Or, in the present world situation, might we consider leaving primary responsibility for security to collective arrangements and regional organizations authorized by articles 51 and 52 of the charter?

3. General Assembly

The General Assembly has not only grown in importance in the field of security; it has given increasing attention to economic and social problems and to highly charged "colonial" issues. In view of these developments, should there be some type of weighted voting in the General Assembly, reflecting the capacity of members to assume economic and military responsibilities?

Many suggestions have already been put forward in the search for a system which would increase the capacity of the General Assembly to take action in security matters, at the same time protecting the members against irresponsible action in other fields. Some formulae are based on population, some on wealth, some on area, some on ingenious combinations of many criteria. It is important to study all of these very carefully. We must remember, however, that this is not a theoretical exercise but a realistic attempt to improve what we now have. In the last analysis,

what we must decide is whether any new proposal would be clearly superior to the present system of one vote per state with the requirement in article 18 of the charter that decisions on important questions receive a vote of two-thirds of the members present and voting.

Aside from the question of weighted voting should there be some reallocation of functions as between the Assembly and the Economic and Social Council and the Trusteeship Council to enable the United Nations to function more effectively? The magnitude of the program in the economic and social fields, as well as its importance in strengthening the free world, points also to a re-examination of the relationship between the United Nations itself and the specialized agencies to see whether any greater integration would contribute to the efficient operation of this program.

4. Domestic Jurisdiction

There has been a growing tendency in the United Nations for states whose sympathies are aroused by conditions outside their own boundaries to bring these conditions to the attention of the organization. The current session of the General Assembly, for example, has under consideration such problems as Tunisia, Morocco, Cyprus, and Western New Guinea. This tendency has given rise to questions and in some cases has engendered great apprehension concerning the interpretation of article 2 (7) of the charter, which stipulates that the United Nations shall not intervene in matters essentially within the domestic jurisdiction of a state. It may be asked, therefore, whether article 2 (7) adequately delimits the competence of the United Nations. Or, should a more precise line be drawn between the common interests within the scope of the United Nations and the individual interests that remain the exclusive concern of a member state?

5. Armaments

The framers of the charter were determined "to save succeeding generations from the scourge of war." But the question of regulation of armaments did not receive particular emphasis in the writing of the charter. One can only speculate whether the framers of the charter would have given more attention to disarmament if they had known that within 3 weeks of the signing of the charter the first successful atomic explosion would take place. The awful destructiveness of nuclear weapons and the basic split between the Soviet

bloc and the free world have since heavily underscored the need for finding a solution to this problem. Much effort therefore has been and is being spent by the United Nations on this compelling subject.

Mr. Vyshinsky's speech to the General Assembly last month gave some slight hope that Soviet policy, which has thus far been responsible for lack of progress, might—I repeat, *might*—be changing in the direction of a more constructive approach to a comprehensive disarmament system under effective safeguards. The discussions in Committee I during the last few weeks have not given a feeling of encouragement, but you may be sure that we and our allies will leave no avenue unexplored in seeking agreement with the U. S. S. R. on this crucial question. If it turns out that Soviet policy still blocks progress toward disarmament, the question will remain whether anything was omitted from the United Nations basic structure that, if added now, might assist our continuing effort to reach general agreement on a comprehensive program of safeguarded arms regulation and reduction.

6. *International Law*

We would all agree, I am sure, that so far too little progress has been made by the United Nations in the advancement of international law. The difficulty is not too hard to find. With one-third of the world's population ruled by those who do not recognize any moral law and look upon law as another means whereby those in power destroy their enemies, we can understand the difficulties encountered in expanding the scope of international law.

Secretary Dulles has asked whether the charter provisions are adequate in view of the importance of law as an accepted standard of international conduct. The question which will confront the review conference is what can be done to improve present United Nations activities in the field of codification and development of international law. What can be done to make the actions of nations more orderly? Should efforts to prepare codes of international law be pressed? Should other countries which have not already done so be encouraged to make declarations accepting compulsory jurisdiction of the code? Should there be established, as suggested by some members of the bar and writers on international law, regional international tribunals with jurisdiction of private in-

ternational claims cases submitted by one government against another when negotiation has been unfruitful?

The Case for Charter Review

I have reviewed for you some of the issues which need to be discussed and on which we need advice. I hope you will not be discouraged if you find that it is hard to answer one question without raising others equally difficult. We in the State Department are going through that process ourselves.

The case for charter review is a strong one. Here in San Francisco in 1945 many states accepted charter provisions to which they strongly objected on the understanding that there would be an opportunity to review these provisions at the end of 10 years. It is only fair that this opportunity be provided them.

Charter review can in addition be the means to achieve a real strengthening of the United Nations. Let us not be deterred by the presence of the veto to block any proposal for charter amendment. We know the Soviets can veto such proposals, but we do not propose to do their negotiating for them in advance.

Charter review should bring about a greater understanding of the potentialities of the charter. That the charter is a document capable of growth can be seen from the dramatic transformation which has made the General Assembly the decisively important organ of the United Nations. It should present a clearer realization of the development within the charter framework that has already taken place in order to meet a world situation not foreseen in 1945. Such a reappraisal could also serve to develop improved practices under the charter.

On the other hand, we must bear in mind that a review conference does have its dangers. The United Nations was never more "sheer necessity," as President Eisenhower described it, than it is now. It remains what the President has called "man's best organized hope to substitute the conference table for the battlefield." We recognize that calling the review conference might arouse false hopes and might stimulate efforts to rewrite the charter which could seriously endanger the United Nations. We are determined to avoid these pitfalls, and we are hopeful that from the charter review conference there will result the stronger United Nations we seek.

We are glad that you will be thinking these problems of charter review through with us. Working together we can in the best democratic

tradition strengthen immeasurably the cause of peace, justice, and security for Americans and for the rest of the world.

International Cooperation in Developing the Peaceful Uses of Atomic Energy

Statement by Henry Cabot Lodge, Jr.

*U.S. Representative to the General Assembly*¹

Almost 11 months ago many of us in this building heard a speech by President Eisenhower,² who had flown here directly from a conference in Bermuda. His speech addressed itself to the overwhelming problems which then confronted the whole world, and still confront it today.

One problem was the danger of atomic war—wherein one nation could, by surprise attack, inflict grievous atomic damage on the United States and in return receive atomic retaliation of fearsome proportions, leaving a ruin of mangled bodies, cultures, and economic and political systems after the atomic dust had settled.

President Eisenhower knew, and said, that merely to present the threat and to promise retaliation was neither an adequate nor a true picture of the feelings or the purposes of the United States. In the name of the human race, in the name of civilization, in the name of truly peaceful purpose, there had to be the promise of something more than earth-shattering explosions. The President knew, and said, that such a speech had better be left unspoken unless he could add a message of peaceful hope.

In considering how best to present his message of hope, he was faced with a historical fact of controlling significance: the years-long, stubborn problem of negotiating a system for reduction and control of armaments and for the effective elimination of nuclear weapons. Seven years of debate

and negotiations had failed to bring the world closer to this goal.

The President, therefore, decided that to make a proposal which would be wholly within the framework of the trying debates of the past would not be considered, by you or the peoples of the world, an act of hopeful sincerity promising early progress. He wanted to make an offer removed from the aura of past dejection and failure; he wanted to make an offer whose outstanding and unmistakable characteristic was that it was feasible—that it was doable—that men and nations of good will and peaceful purpose could accept easily, and without having to lose face by having to reverse previously stated positions.

And so, on December 8, 1953, standing in the great hall upstairs and before this great Assembly, President Eisenhower said:

I therefore make the following proposals:

The Governments principally involved, to the extent permitted by elementary prudence, to begin now and continue to make joint contributions from their stockpiles of normal uranium and fissionable materials to an International Atomic Energy Agency. We would expect that such an agency would be set up under the aegis of the United Nations.

The ratios of contributions, the procedures and other details would properly be within the scope of the "private conversations" I have referred to earlier.

The United States is prepared to undertake these explorations in good faith. Any partner of the United States acting in the same good faith will find the United States a not unreasonable or ungenerous associate.

Undoubtedly initial and early contributions to this plan would be small in quantity. However, the proposal has the great virtue that it can be undertaken without the irritations and mutual suspicions incident to any

¹ Made in Committee I (Political and Security) on Nov. 5 (U.S. delegation press release 2000).

² BULLETIN of Dec. 21, 1953, p. 847.

attempt to set up a completely acceptable system of worldwide inspection and control.

The President described the main purpose of the new international agency in these words: "to devise methods whereby this fissionable material would be allocated to serve the peaceful pursuits of mankind." He mentioned specifically the fields of agriculture, medicine, and electric power. Then he added:

The United States would be more than willing—it would be proud to take up with others "principally involved" the development of plans whereby such peaceful use of atomic energy would be expedited.

Of those "principally involved" the Soviet Union must, of course, be one.

The President wished to take every precaution in order to insure that the Soviet Government would take this proposal at its serious, sincere, long-term face value and not interpret it as a short-term propaganda trick.

To insure this, he did two things. First, our Ambassador in Moscow was instructed to advise Mr. Molotov, in advance of the delivery of the speech, that it would contain material of serious import and that we wished the Soviet Government so to consider it. Besides, after the speech was made, and awaiting an initiative from the Soviet Union to hold private conversations, all individuals and agencies of the United States Government were instructed to remain silent as to the details of the proposal and to confine themselves, if the need for explanation arose, to a simple reiteration of the President's own text and the statement that we were awaiting word from the Soviet Union.

The President's second concern had to do with this very body—the United Nations. When he received Secretary-General Hammarskjöld's invitation to address you, he chose to make his proposal before this body, and no other, because he wished the world to know that, in this overwhelmingly important matter, he turned to the United Nations as the international organism most appropriate both to hear the original enunciation of the proposal and to participate in the development of the plan.

Sequel of the President's Proposal

You all know the positive and hopeful response which greeted the President's proposal from all parts of the world. This response has greatly heartened the United States in its work with other states in developing a plan of action.

November 15, 1954

You know, too, that there was one disappointment—a rejection by the U.S.S.R of the President's proposal until the United States would agree to an unconditional and unsafeguarded ban on the use of atomic weapons. The story of that is contained in a United Nations document which is before you, Document A/2738 of 27 September 1954.³ Beginning on April 27 and continuing throughout this exchange of notes, the Soviet Union insisted that our new hope be shackled to the long debates of the past, where the difficulties of even the smallest progress had been so amply demonstrated.

True enough, the Soviet Union told us in a note delivered on September 22, 1954⁴—the day before the Secretary of State made his opening address to the General Assembly—that it was keeping the door open a tiny crack. Actually the door had been thrown wide open on December 8, 1953, by the United States and has been kept wide open by the United States ever since. The door is still open.

On learning of the essentially negative Soviet attitude, the United States lost no time in proceeding with conversations with other states—conversations whose initiation had awaited only a clear expression of the Soviet position. The states with which we have been conferring are those which have either developed raw material resources or advanced atomic energy programs and are engaged in developing this great force—namely, the United Kingdom, France, Canada, Australia, Belgium, Union of South Africa, and Portugal. It is significant that all of us agreed that, despite the refusal of the Soviet Union to participate, we should move ahead with formation of the agency. Our discussions have made some progress, as we shall later point out.

It was in these circumstances that Secretary of State Dulles spoke to this Assembly last September 23d and said:

The United States is determined that President Eisenhower's proposal shall not languish until it dies. It will be nurtured and developed. We shall press on in close partnership with those nations which, inspired by the ideals of the United Nations Charter, can make this great new force a tool of the humanitarian and of the statesman, and not merely a fearsome addition to the arsenal of war.

The United States is proposing an agenda item which

³ See also *ibid.*, Oct. 4, 1954, p. 478.

⁴ *Ibid.*, p. 486.

will enable us to report on our efforts to explore and develop the vast possibilities for the peaceful uses of atomic energy. These efforts have been and will be directed primarily toward the following ends:

(1) The creation of an international agency, whose initial membership will include nations from all regions of the world. It is hoped that such an agency will start its work as early as next year.

(2) The calling of an international scientific conference to consider this whole vast subject, to meet in the spring of 1955, under the auspices of the United Nations.

(3) The opening early next year, in the United States, of a reactor training school where students from abroad may learn the working principles of atomic energy with specific regard to its peacetime uses.

(4) An invitation to a substantial number of medical and surgical experts from abroad to participate in the work of our cancer hospitals—in which atomic energy techniques are among the most hopeful approaches to controlling this menace to mankind.

I would like to make it perfectly clear that our planning excludes no nation from participation in this great venture.

Just this past Wednesday, November 3, President Eisenhower announced that the United States had delivered to the Soviet Ambassador in Washington a reply to the Soviet note of September 22, and that the President hoped that this would start a new phase in the U.S.-Soviet negotiations which might be more fruitful than the past efforts. The President reiterated, however, that the United States is determined to proceed with likeminded states in establishing an international agency to make this great power available to mankind generally as a boon which would benefit us all.

This is the history, briefly told, of the first year of efforts to create an international organization to insure world cooperation in the peaceful uses of the atom. The thought that has governed all our suggestions is that what we propose to do is feasible—is doable.

However, before we probe the future of international cooperation in this field, let us see where we stand today; let us review briefly the scientific developments that have brought us beyond the threshold of the atomic age.

The Threshold of the Atomic Age

This moment of our discussion is a moment of excitement and challenge in the science and art of the atom. We in this hall are dealing with something more than the resolutions and amendments and forms of organization which are the tools of

our diplomatic trade. We are dealing with the knowledge of a force, the mastery of a force, whose gigantic power of destruction is exceeded only by its power for human good.

Even we, as laymen, are aware of the thrilling sense of discovery in the minds of the scientists who have been able to put this gift in our hands. If we can share that sense of discovery, then we may hope that our diplomatic progress will be a worthy match for the physical progress that has been brought about by the most adventurous scientific minds of our century.

A few key facts of that atomic progress show clearly that we have already passed the threshold of the peaceful atomic age. The summary which follows herewith will not touch on the achievements in other countries, which are equally promising and of which we shall doubtless hear more in the course of this debate.

We are in the presence of a whole range of atomic discoveries. Of all these discoveries, one of the most advanced for human benefit today stems from the use of the radioactive isotope. Many elements long known to physics, such as gold, cobalt, and carbon, can be changed in atomic reactors into new versions of themselves—radiogold, radiocobalt, radiocarbon, and so forth. A change in their atomic structure makes them give off rays. These rays have two main uses. They can bring about changes in living things. And they can be used as tracers, giving off signals to detection machines, to control the intricate processes of industry or to reveal new facts about the growth and diseases of plants and human beings that had never before been known to man.

Here are a few examples of how these isotopes have already been applied in the United States. Many of these are already well known to technicians in other countries.

First, consider the changing of living things by radiation.

In treatment of cancer, radioactive cobalt and other elements have brought great progress in the killing of cancerous cells, far more effectively than the old X-ray machines.

Radiation has made it possible to preserve and store food without spoiling throughout the winter and spring.

In the development of new agricultural strains, radiation has been used to speed up many times over the genetic mutations from which new and

Draft Resolution on Atomic Energy Plan¹

U.N. doc. A/C.1/L.105 dated November 6

The General Assembly,

Believing that the benefits arising from the momentous discovery of atomic energy should be placed at the service of mankind,

Hoping that international co-operation in developing and expanding the peaceful uses of atomic energy will assist in lifting the burdens of hunger, poverty and disease,

Believing also that all nations should co-operate in promoting the dissemination of knowledge in the realm of nuclear technology for peaceful ends,

A. Concerning an International Atomic Energy Agency

Recalling the initiative of the President of the United States embodied in his address of December 8, 1953,

Noting that negotiations are in progress for the establishment as quickly as possible of an International Atomic Energy Agency to facilitate the use by the entire world of atomic energy for peaceful purposes, and to encourage international co-operation in the further development and practical application of atomic energy for the benefit of mankind,

1. *Suggests* that, once the Agency is established, it negotiate an appropriate form of agreement with the United Nations, similar to those of the specialized agencies;

2. *Transmits* to the States participating in the creation of the Agency, for their careful consideration, the record of the discussion of this item at the present session of the General Assembly;

3. *Suggests* that members of the United Nations be informed as progress is achieved in the establishment of the Agency;

B. Concerning the International Conference on the Peaceful Uses of Atomic Energy

¹ Sponsored by Australia, Belgium, Canada, France, Union of South Africa, United Kingdom, and United States.

1. *Declares* the interest and concern of the General Assembly in helping in every feasible way to promote the peaceful applications of atomic energy;

2. *Decides* that an international technical conference should be held under the auspices of the United Nations, to explore means of developing the peaceful uses of atomic energy through international co-operation and, in particular, to study the development of atomic power and to consider other technical areas—such as biology, medicine, radiation protection and fundamental science—in which international co-operation might most effectively be accomplished;

3. *Invites* all States Members of the United Nations or of the specialized agencies to participate in the conference and to include among their representatives individual experts competent in the atomic energy field;

4. *Suggests* that the international conference should be held no later than August 1955 at a place to be determined by the Secretary-General and by the Advisory Committee provided for in paragraph 5;

5. *Requests* the Secretary-General acting upon the advice of a small committee composed of representatives of

to issue invitations to this conference, to prepare and circulate to all invitees a detailed agenda, and to provide the necessary staff and services;

6. *Suggests* to the Secretary-General and the Advisory Committee that, in making plans for the international conference, they consult with competent specialized agencies, in particular the Food and Agriculture Organization, the World Health Organization, and the United Nations Educational, Scientific and Cultural Organization;

7. *Invites* the interested specialized agencies to designate persons to represent them at the conference;

8. *Requests* that the Secretary-General circulate for information a report on this conference to all Members of the United Nations, and to other Governments and specialized agencies participating in the conference.

better strains are derived—strains which resist disease and produce better foods and fibers in greater abundance.

Second, consider the use of isotopes as tracers. The applications in this realm of scientific discovery are already multitudinous and in theory are without limit. For instance:

In manufacturing flat sheets—metal, paper, plastic, or any material—their thickness is kept constant by measuring the strength of atomic radiation through the moving sheets.

In welding and riveting, radiation photography

shows up flaws which were once extremely difficult to detect.

In oil pipelines, a radioactive pellet is dropped in the flowing pipe to signal the exact moment when a new kind or grade of oil arrives at its destination.

In agriculture, radioactive tracers mixed into fertilizers show exactly when and how efficiently the fertilizer is absorbed by growing plants—thus saving tremendous waste.

In the poultry industry, chicken feed is traced through the body of the hen until it is converted

into an egg—showing what kind of feed should be given, and at what time, to produce eggs most efficiently.

In fish breeding, tracers have shown where simple chemical treatment could be used to convert sterile bogs into lakes swarming with food fish.

In medicine, tracer research has given us a new synthetic material for blood transfusion; tracers are used to detect faulty blood circulation before it is fatal, and to perform many other miracles of diagnosis; tracers have brought new discoveries about diabetes, thyroid disorders, blood diseases, and, in fact, the entire process by which the living body is nourished and sustained.

In control of epidemics, tracers have been used to follow the migration of disease-bearing flies and mosquitoes, which is an essential step in stamping out these scourges.

These, at the beginning of the atomic age, are a few of the discoveries already made and put to work. Still other projects are well under way, among which perhaps the most extraordinary is the research into the mysterious process of plant growth called photosynthesis, the understanding of which may some day enable us to manufacture vast quantities of inexpensive food out of common chemicals. The effect of this on the standard of living can be conjectured.

Every one of these advances has at its center the use of radioactive atoms. Most of these can be produced in comparatively small atomic reactors. In the United States the chief factory for these isotopes is the Oak Ridge National Laboratory. From Oak Ridge in the past 8 years nearly 50,000 shipments of isotopes have been sent out to factories, laboratories, hospitals, and universities. Most of these have been sent within the United States, but over 2,800 have gone to 50 countries abroad.

It is fitting that the most imposing and most difficult application of atomic energy should be mentioned last: the production of electric power. This is a subject of intensive engineering research in the United States today. This year the Atomic Energy Commission launched a 5-year program for the building of five experimental power reactors in the United States, all radically different in design. None of these is expected to produce power at prices that compete with power plants that burn coal and other conventional fuels. But they will tell us a great deal about the future of

atomic power. For the knowledge we shall all gain from them, these plants will be worth the investment. They point the way to an age when all countries can be assured of abundant electric power, even where natural fuels are scarce. On the basis of this power, new industries can grow to enrich the lives of many millions of people.

One fact stands out about the atomic power reactor, even today in the minds of laymen, and that is its great complexity. This calls for expert knowledge and is another reason why smaller reactors should be built in as many parts of the world as possible. These small research reactors can be built in a year's time for well under \$500,000 in many cases. They will produce most of the radioactive isotopes whose multitude of uses I have tried to describe. They will thus make possible a great increase both in research and in the practical application of the atom in medicine, farming, and industry. But beyond this, they will afford training grounds throughout the world at which a new generation of atomic scientists, engineers, and technicians will learn the principles of reactor technology. Having mastered the research reactor, we will then be moving toward what the world scarcely yet possesses—a body of men trained in all the techniques which will be needed to bring us practical atom power.

Mr. Chairman, the brief report just given on atomic progress in the United States describes many startling advances, discoveries which have already made the world a richer place. Yet these are no more than the nuggets which lie at the surface of a newly discovered mine. They are enough to give us some notion of the undiscovered wealth that lies below.

To tap that wealth in peace and cooperation should be a noble enterprise for the nations of the world. It is fitting that the discovery which brings us together in peace comes from the hands of one of the truly global fellowships of mankind—the fellowship of science, which knows no national boundaries and seeks truth and human betterment. There could be no more fitting salute to this world fellowship of science than our common determination to share some of the atomic knowledge and wealth we already possess, in order that all of us may possess more.

In this spirit, the United States is prepared to make contributions of several kinds to the next forward steps in the atomic field.

Next Step Forward

Having thus crossed the threshold of the atomic age, we come to the question of the next steps by which we can explore this new world. Here we reach the specific activities which we contemplate for the international agency. We believe that the agency should encourage worldwide research in and development of the peaceful uses of atomic energy; it should arrange for nuclear materials to meet the needs of research, development, and practical application to all manner of peaceful activities, including the eventual production of power. We believe the agency should foster the interchange of information on peaceful uses. We expect that the international agency will conduct its activities in such a way as to prepare for the time when the use of atomic energy for peace becomes the predominant and perhaps the exclusive use of this great force.

The agency should be created by a treaty which in our opinion should define the standards and principles governing the organization in the discharge of its functions. All states which originally ratified the agreement should become members of the agency, and there should be a provision for accepting additional members. We believe that members should accept an obligation to supply materials and information for the work of the agency, financial support, facilities for open discussion and contacts among scientists engaged in peaceful research activities.

There is so much to be done that it would be inconceivable for the international agency to carry on all the activities from the outset. As a practical matter the international agency can carry on only a few of the activities in the immediate future—those most suitable to it. Nevertheless, the other activities will and must proceed simultaneously, since they are all part of the basic program of steady forward movement into the atomic age.

We are prepared to start discussion with other countries for the conclusion of bilateral agreements which will make it possible for us, under our laws, to furnish technical information, technical assistance, and necessary amounts of fissionable material for the construction and operation of research reactors to be located abroad.

Now, let me tell you about the progress which the United States is prepared to carry out pending the creation of the agency, partly as a result of the recent amendments to our own Atomic

Energy Act. All these activities will be coordinated with the international agency's own program and may later be undertaken by the agency itself.

No one has to be a scientist to appreciate the fact that basic to success in the development and use of power-producing reactors in any country is the existence of a body of trained technical men. I shall now speak in terms of what the United States Government is prepared to do in 1955—next year—in this field of training.

First comes the field of nuclear reactors. We are prepared to establish a Reactor Training School early in 1955. The first course of this school would deal not only with atomic power theory but the application of that theory.

Our present plans call for inviting between 30 and 50 scientists and engineers from overseas to study practical reactor engineering, in order to furnish sufficient basic science and engineering knowledge to permit the members of this group not only to understand the theory but to become competent to operate reactors.

Initially the atomic information available to the members of this course will be nonsecret. But as the United States and other countries conclude the bilateral agreements required by the Atomic Energy Act of 1954, additional information will be made available. From the outset, however, the courses offered will give scientists and engineers a basic knowledge of the all-important experimental phases and principles of research reactors; and these are the essential training ground for the far more complicated power reactor.

Second comes the field of safety. Because we are dealing with a power which is both a danger and a boon, it is necessary also that special training courses in radiation safety and medicine should be instituted simultaneously with any training in atomic power development. We propose, therefore, to establish under the sponsorship of the United States Atomic Energy Commission the following courses which will be open to all other nations:

Industrial Medicine—a 1- to 2-year course given by the American universities having a relationship to the Atomic Energy Commission in the medicinal treatment required in industries concerned with atomic energy activity.

Industrial Hygiene—courses in the techniques of main-

taining healthful conditions in industries dealing with hazardous atomic materials.

Radiological Physics and the Theory and Use of Radiation Instruments—instruction to be given at the Brookhaven National Laboratory.

Third in our training program comes the vast field of atomic biology and medicine. The Argonne Cancer Hospital at the University of Chicago, the Brookhaven National Laboratory, and the Cancer Research Hospital at the Oak Ridge Institute of Nuclear Studies will be open for 1- to 2-year courses on the use of atomic energy in medicine and biology, for approximately five to ten foreign students per course.

The field of cancer is so important, and other countries have made such strides, that we do not wish to restrict our collaboration simply to the study of our techniques. We are therefore prepared to invite as many as 150 competent and distinguished visitors in the field of cancer research from overseas to visit our cancer research facilities during 1955. These guests will not only be free to study our facilities and techniques but will also be encouraged to exchange views with our doctors and scientists.

Fourth and last in our training program comes the field of radioisotope tracer techniques, whose rapid development we have already discussed. In this field, until now, the Atomic Energy Commission has been able to conduct only a limited training program for foreign scientists. The Commission is now prepared to establish special courses for foreign technicians to begin early in 1955—these courses to cover a 4-week period and to be divided into laboratory work, lectures on laboratory experiments, and seminars on special topics. The laboratory experiments would cover the use of instruments, the purification and separation of radioactive from inert materials, and the application of various isotope techniques to all fields of research.

Stated in statistical terms, the training courses we propose in safety, medicine, and biology would bring basic knowledge and training to more than 250 technical men from other nations in the course of the next 12 to 15 months—the limitation on numbers being imposed not by our desire to restrict the sharing of this knowledge but simply by our ability to absorb this number of observers, students, and trainees effectively and efficiently within our present facilities.

So much for our early plans for training.

Closely allied to this is the question of written information about the atom. We anticipate that from the outset the international agency will carry on a series of information and service activities, obtaining information from the operations of member states in connection with their own atomic energy programs and from the agency's own activities. Here is a brief outline of the type of information materials which the United States is prepared to make available in 1955 to the international agency when it is set up.

Contrary to popular belief, the United States has, ever since the beginning of its atomic development, made available, through published documents of the Atomic Energy Commission and articles in scientific journals, a vast body of research material on the peaceful uses of atomic energy. Yet the aura of mysterious monopoly still persists in the popular imagination.

You may be surprised, as I was, to realize that, up to now, the publication by the United States of documents available to all on the peaceful uses of atomic energy comes to more than 10,000 papers totaling more than 200,000 pages of data.

Always mindful of the day when it might be beneficial to present this material in package form despite the fact that it has always been available in individual items, we have accumulated 10 complete libraries of our own material, which we are prepared to give to the principal technical libraries of cooperating nations. And we will provide more than 10 if there is a demand for more.

Besides these libraries of our own material, we are prepared to provide complete sets of index cards and our journals of the past 7 years, abstracting 50,000 scientific and technical books and reports, published in all countries. Stated in physical dimensions, what we are prepared to furnish to each one of these foreign libraries is the equivalent of more than 300 lineal feet of published reports and over 200,000 index cards.

Furthermore, we will add to all of these libraries as the material is published, asking only in return that the cooperating nations provide their collections of official nonsecret papers, not available in the general scientific literature, to be placed in the appropriate libraries in the United States.

In addition to training and publication, there is a third step which we must take in the field of research and development. We must further develop the practical applications of the atom to medicine, agriculture, and other peaceful activi-

ties, including the eventual production of power. The international agency will immediately encourage the development of such research activities and will seek to arrange for nuclear materials to meet the needs of research all over the world. It must be recognized, however, that the bulk of research on the atom will continue to be carried on by individual states.

These are the chief forward steps which we in the United States contemplate for 1955. As the President has assured you, atomic materials for projects sponsored by this agency will be set aside for that purpose. We are confident that corresponding contributions to the common enterprise will be made by others. Some steps will be taken by individual states, others by the international agency, and others partly by the states and partly by the agency. In every case we should be guided by the principle that the agency will concentrate on those things which cannot be done, or done not so well, by states and private groups acting alone.

All these steps together, during this coming year, 1955, will bring us measurably further along the road that leads into the peaceful atomic age.

The United States initiated its "Atoms for Peace" proposal through the United Nations. We hope that it will be possible to create the kind of international organization which will be competent rapidly, effectively, and fairly to bring this priceless boon to untold millions beyond our shores.

It is our belief that a relationship should be established between the agency and the United Nations similar to that of the specialized agencies. The exact terms of the relationship must, of course, await creation of the agency itself. The agency will be created by negotiations among interested governments. These negotiations, already in progress, will lead to the conclusion of a treaty subject to the usual constitutional processes of ratification. The International Atomic Energy Agency would consult and cooperate as appropriate with other United Nations bodies whose work might be related to that of the agency, as well as with national atomic energy organizations and regional organizations such as the Organization for European Nuclear Research (OENR).

It would not be practicable to spell out the possible relationships any more precisely at this time until we know better just exactly what the agency will look like when it comes into being. While

there has been a certain amount of general agreement among the states which are negotiating the creation of this agency on some of the administrative features, it does not seem possible to go into these negotiating matters in great detail now. You will recognize that the negotiations must take into consideration the views of the eight negotiating states in the light of their special position in the atomic energy field and also of other states which we hope will participate. In the main the negotiations have followed the line which we indicated in the March 19 outline which we submitted to the Soviet Union and which is before the committee.⁵ But there may be changes.

It may be appropriate at this point to mention one problem that has come up in the negotiations. Originally the United States visualized that the international agency would hold fissionable materials itself. But after the Soviet rejection of the United States proposals, all the negotiating states concluded that it might be preferable that the agency act as a clearinghouse for requests made to the agency by the various beneficiaries. The donor state would earmark fissionable materials for the agency's operations and would transfer those fissionable materials directly to the projects approved by the agency. Since the resources of the agency obviously will be limited, it seems more useful to us to use the resources available to the agency for additional programs rather than for expensive custodial arrangements.

As I said earlier in this statement, the desire and purpose of the United States is that what we do shall remain within the area of the feasible and the doable and not become hampered by being placed in the context of unending arguments or insuperable vetoes. We are proceeding as rapidly as possible, determined that this hopeful enterprise shall not be deterred nor delayed nor interminably frustrated by any who may not wish the blessing of atomic energy to be spread throughout the world.

The resolution which we intend to cosponsor will reflect this desire to go forward as rapidly as possible for the benefit of the entire world.

International Conference

One further way in which the United Nations can contribute materially, in advance, toward the

⁵ *Ibid.*, p. 480.

goal of extending to all peoples the benefits of atomic energy is by convening an international conference to discover the field in which progress would be technically feasible and to develop procedures whereby the nations of the world can make known their wants.

The United States intends to support such a conference fully and will send as our representatives qualified scientific and technical persons of the highest calibre that we possess. Our Atomic Energy Commission will remove restrictions from information and make it available in the hope, thereby, of contributing to the value of the conference. Other states will undoubtedly do as much.

The United States has long believed that such a conference of scientists and of government officials concerned with their nations' atomic energy development would materially contribute to the knowledge of the participants and correspondingly benefit their countries. The opportunity to exchange information and become better acquainted with each other's problems in the vast field now opening before our eyes as the beneficial uses of atomic energy become both more feasible and more numerous would be fruitful.

Most of the participants in the conference will undoubtedly be government representatives, many of whom will be experts in the field. The United States believes it appropriate also to invite representatives of various specialized agencies whose tasks are such that the discussions at the conference would be of direct interest. We include in this category such agencies as UNESCO, the ILO, the WHO, and the FAO.

In order to organize the conference, issue invitations, prepare an agenda and rules of procedure, the Secretary-General of the United Nations should act on the advice of a committee composed of representatives of certain states members of the United Nations. For this advisory committee of states, we have in mind a membership which would meet two essential qualifications: knowledge of atomic energy development and appropriate geographic representation.

We recommend that the conference should discuss topics such as probable world power requirements, the possible contribution of atomic energy to meet deficits in conventional fuels, the economics of nuclear power, the health and safety aspects of atomic energy, among other matters.

Discussions could be held on nuclear technology, on reactor application in research and power, on medical and biological applications of atomic energy, on industrial application of radioactive products.

We know that its reports and conclusions would be of great import both to the International Atomic Energy Agency, when it is established, and to individual countries so far as their own atomic energy programs are concerned.

We intend to cosponsor a draft resolution in this committee which will reflect the views just expressed. We believe it will indicate the best pattern for practical United Nations participation in this great work of international cooperation in developing the use of the atom for peace. In cosponsoring this resolution the United States would express its wish to proceed with you on the fulfillment of this program—whose only purpose, in the words of President Eisenhower last December, is "to find the way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

Vote on Disarmament Resolutions

*Statement by James J. Wadsworth
U.S. Representative to the General Assembly¹*

In these brief remarks I do not propose to go into the substance of the full and extremely valuable debate that was held in the First Committee on the subject of disarmament. I echo the satisfaction with which others have hailed the unanimity of the vote on these resolutions in the committee, and also the agreement achieved between the members of the so-called London subcommittee in sponsoring these resolutions. No less, Mr. President, do I hail the unanimity with which these same powers and many other representatives of delegations have openly recognized that we have a long and rocky road to travel. Anything less than this sober recognition of the realities would give

¹Made in plenary session on Nov. 4 (U.S. delegation press release 2008). On that date the Assembly approved unanimously the resolution which had been adopted (also by unanimous vote) in Committee I on Oct. 27; for text, see BULLETIN of Nov. 1, 1954. The Assembly's resolution (A/Resolution/216) refers two other proposals to the Disarmament Commission for consideration: A/C.1/L.100/Rev.1, submitted by India, and A/C.1/L.101/Rev.1, submitted by Australia and the Philippines.

poor service to the cause to which we are devoted. For our part, in voting for these resolutions today, we pledge our continued and constant efforts to achieve the common goal.

U. S. Delegations to International Conferences

Metal Trades Committee of ILO

The Department of State announced on October 26 (press release 607) that the United States would be represented at the fifth session of the Metal Trades Committee of the International Labor Organization (ILO) at Geneva, October 25–November 6, by the following delegation:

Representing the Government of the United States

Delegates

Hersey E. Riley, Chief, Division of Construction Statistics, Bureau of Labor Statistics, Department of Labor
William A. Vanstory, Consultant, Business and Defense Services Administration, Department of Commerce

Representing the Employers of the United States

Delegates

Martin F. Burke, Personnel Director, United Aircraft Corporation, East Hartford, Conn.
Herbert M. Ramel, Vice President, Moog Industries, Incorporated, St. Louis, Mo.

Representing the Workers of the United States

Delegates

Thomas Crowe, International Vice President, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, AFL
Victor Reuther, Assistant to the President and Director, Department for International Affairs, Congress of Industrial Organizations

Adviser

Edward Cote, Co-Director of Region 1-A, International Union, United Automobile, Aircraft and Agricultural Implement Workers of America

The Metal Trades Committee is one of eight industrial committees established by the ILO to deal with problems in some of the most important international industries. Representation on each of the committees is tripartite in nature, with government, employer, and worker representatives from member countries.

At the fifth session, the Committee will concern itself primarily with discussion of (1) a report

relating to production and employment at a high level in the metal trades, which report contains an analysis of the output, as well as of the factors affecting the demand for and of measures which might stabilize the demand for, various metal products and (2) a report on practical methods of labor-management cooperation in metal working plants, which report contains an examination of eight examples of satisfactory in-plant collaboration in Canada, France, Switzerland, Sweden, the United Kingdom, and the United States. The Committee will also consider a general report in which particular attention is paid to developments in the metal trades industry in various countries since the Committee's last session, Geneva, April 21–May 2, 1952, and to important events and developments in the metal trades industry.

In addition to the United States, the following countries have been invited to send tripartite delegations to the meeting: Australia, Belgium, Canada, Czechoslovakia, Denmark, Finland, France, the Federal Republic of Germany, India, Italy, Japan, Mexico, the Netherlands, Norway, Poland, the Union of South Africa, Sweden, Switzerland, and the United Kingdom.

TREATY INFORMATION

Current Actions

MULTILATERAL

Customs Tariff

Protocol modifying the convention signed at Brussels July 5, 1890 (26 Stat. 1518), relating to the creation of an International Union for the Publication of Customs Tariffs. Done at Brussels December 16, 1949. Entered into force May 5, 1950.¹

Ratification deposited: Brazil, September 21, 1954.

Germany

Protocol to the North Atlantic Treaty on the accession of the Federal Republic of Germany. Signed at Paris October 23, 1954.

Enters into force when (a) each of the parties to the North Atlantic Treaty has notified the United States of its acceptance thereof, (b) all ratifications of the Protocol Modifying and Completing the Brussels Treaty

¹ Not in force for the United States.

have been deposited with Belgium, and (c) all ratifications or approvals of the Convention on the Presence of Foreign Forces in the Federal Republic of Germany have been deposited with the Federal Republic of Germany. Upon entry into force of the Protocol, an invitation to accede to the North Atlantic Treaty shall be communicated to the Federal Republic of Germany by the United States on behalf of all parties to the Protocol.

Protocol on the termination of the occupation regime in the Federal Republic of Germany, with five schedules, and related letters. Signed at Paris October 23, 1954, by the United States, France, the Federal Republic, and the United Kingdom.

Enters into force upon the deposit of ratifications or approvals by all signatories.

Convention on the presence of foreign forces in the Federal Republic of Germany. Signed at Paris October 23, 1954, by the United States, France, the Federal Republic, and the United Kingdom.

Enters into force upon the deposit of ratifications or approvals by all signatories and the deposit of the accession of the Federal Republic to the North Atlantic Treaty. Open to accession by any State not a signatory which had forces in the Federal Republic of Germany on the date of signature of the Protocol on the Termination of the Occupation Regime; accession to be effective on the date of entry into force of the Convention or the date of deposit of accession, whichever is later.

Tripartite agreement on the exercise of retained rights in Germany. Signed at Paris October 23, 1954, by the United States, France, and the United Kingdom.

Enters into force upon the entry into force of the Protocol on the Termination of the Occupation Regime.

Trade and Commerce

Third protocol of rectifications and modifications to the texts of schedules to the General Agreement on Tariffs and Trade (TIAS 1700). Done at Geneva October 24, 1953.²

Signed definitively: Germany, September 27, 1954; Dominican Republic, October 15, 1954; Burma, October 4, 1954.

BILATERAL

Belgium

Agreement to facilitate the interchange of patent rights and technical information for defense purposes. Signed at Brussels October 12, 1954. Entered into force October 12, 1954.

Germany

Agreement relating to the exchange of official publications. Effected by exchange of notes at Washington October 27, 1954. Entered into force October 27, 1954.

Treaty of friendship, commerce and navigation, with protocol and exchanges of notes. Signed at Washington October 29, 1954. Enters into force one month after the exchange of instruments of ratification.

Libya

Agreement relating to economic aid. Effected by exchange of notes at Benghazi September 9, 1954. Entered into force September 9, 1954.

Agreement relating to military bases in Libya, with memorandum of understanding. Signed at Benghazi September 9, 1954. Ratified by Libya October 21, 1954.

Entered into force: October 30, 1954 (the date of receipt by the United States of notification of ratification by Libya).

² Not in force.

Spain

Agreement confirming the bilateral arrangements for a facilities assistance program pursuant to the mutual defense assistance agreement of September 26, 1953 (TIAS 2849). Effected by exchange of notes at Madrid April 9, May 11 and 19, 1954. Entered into force May 19, 1954.

THE DEPARTMENT

Determination in Case of John Paton Davies, Jr.

Statement by Secretary Dulles

Press release 629 dated November 5

Executive Order 10450, issued pursuant to the act of August 26, 1950, became effective May 27, 1953. It deals with "Security Requirements for Government Employment." It establishes new criteria for continuing employment by the United States. These criteria related not only to loyalty but also to reliability and trustworthiness. The new security program which this order establishes provides for various procedures culminating in a final determination by the head of the Department as to whether continued employment "is clearly consistent with the interests of the national security." If not, the head of the Department is required to terminate the employment.

The Executive order requires that the cases of all Departmental and Foreign Service employees who had been investigated under the provisions of the old loyalty program should be readjudicated under the new security standards established by the new Executive order. Accordingly, the case of John Paton Davies, Jr., previously so investigated, came on for readjudication.

On December 29, 1953, the Department's Office of Security concluded that Mr. Davies should be suspended and processed under the new security program.

On January 20, 1954, I directed that a statement of charges be submitted to Mr. Davies with a view to obtaining his sworn answers prior to my determination with reference to his possible suspension. This was done and Mr. Davies made his sworn answers.

I thereupon made a careful examination of the charges, the answers, and the information upon which the charges were based. I concluded that the matter required further inquiry. In this connection it might be noted that Mr. Davies had previously told me that he would welcome whatever further examination I deemed appropriate. Accordingly, on March 23, 1954, I asked that a Security Hearing Board be designated to consider the case. Mr. Davies voluntarily accepted the jurisdiction of the Security Hearing Board and was not then suspended as would have been the normal procedure. I agreed to nonsuspension because I concluded that under the circumstances then prevailing the interests of the United States would not be prejudiced thereby.

On May 14, 1954, a Security Hearing Board of five persons, drawn from other agencies, was duly designated and convened for the purpose of conducting a hearing according to the statute, the Executive order above referred to, and Departmental regulations. After the Board had studied the complete record, it held hearings throughout the latter part of June and the first half of July.

Throughout these proceedings Mr. Davies had the benefit of able counsel. Mr. Davies testified and called six witnesses who testified on his behalf. Five witnesses who had furnished derogatory information appeared and testified under oath; all but one did so in Mr. Davies' presence and subject to cross-examination by his counsel.

On August 30, after consideration of all the available information and the entire record in the case, the Security Hearing Board reached a unanimous decision. It was that the continued employment of Mr. Davies is not clearly consistent with the interests of the national security. The Board accordingly concluded that his employment in the Foreign Service of the United States ought to be terminated.

Following receipt of the Security Board's decision, I have, as required by the statute and the regulations, reviewed the entire case, and I now make my determination as to its disposition.

My determination accords with that of the Security Hearing Board and is that the continued employment of Mr. Davies is not clearly consistent with the interests of the national security and it is advisable in such interests that his employment in the Foreign Service of the United States be terminated.

The reasons given by the Security Hearing Board for its decision are that Mr. Davies demonstrated a lack of judgment, discretion, and reliability. The Board emphasized that it defended Mr. Davies' right to report as his conscience dictated but found that he made known his dissents from established policy outside of privileged boundaries. The Board also emphasized that its decision stemmed preponderantly not from derogatory information supplied by others but from its own thorough and exhaustive analysis of Mr. Davies' known and admitted works and acts and, in connection therewith, his direct admissions and deficiencies as a witness before the Board.

The Board found that Mr. Davies' observation and evaluation of the facts, his policy recommendations, his attitude with respect to existing policy, and his disregard of proper forbearance and caution in making known his dissents outside privileged boundaries were not in accordance with the standard required of Foreign Service officers and show a definite lack of judgment, discretion, and reliability.

The Security Hearing Board did not find, nor do I find, that Mr. Davies was disloyal in the sense of having any Communistic affinity or consciously aiding or abetting any alien elements hostile to the United States, or performing his duties or otherwise acting so as intentionally to serve the interests of another government in preference to the interests of the United States.

Under the present Executive order on security, it is not enough that an employee be of complete and unswerving loyalty. He must be reliable, trustworthy, of good conduct and character.

The members of the Security Hearing Board unanimously found that Mr. Davies' lack of judgment, discretion, and reliability raises a reasonable doubt that his continued employment in the Foreign Service of the United States is clearly consistent with the interests of national security.

This is a conclusion which I am also compelled to reach as a result of my review of the case.

I have reached my determination, as the law requires, on the basis of my own independent examination of the record. One of the facts of that record is the unanimous conclusion of the members of the Security Hearing Board that the personal demeanor of Mr. Davies as a witness before them, when he testified on his own behalf and was subject to examination, did not inspire confidence in his reliability and that he was frequently less than

forthright in his response to questions. Conclusions thus arrived at by an impartial Security Hearing Board are, I believe, entitled to much weight, particularly when those conclusions are consistent with the written record which I have examined.

Recent Releases

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Technical Cooperation—Program of Education. TIAS 2830. Pub. 5250. 8 pp. 10¢.

Agreement, with Memorandum of Understanding, between the United States and Liberia—Signed at Monrovia June 23, 1953.

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Military Bases in the Philippines. TIAS 2835. Pub. 5256. 3 pp. 5¢.

Agreement between the United States and the Republic of the Philippines, implementing agreement of March 14, 1947, as supplemented. Exchange of notes—Signed at Manila May 29 and June 17, 1953.

Naval Mission to Cuba. TIAS 2836. Pub. 5268. 2 pp. 5¢.

Agreement between the United States and Cuba, extending agreement of August 28, 1951. Exchange of notes—Signed at Washington April 14 and July 2, 1953.

Weather Stations—Cooperative Program in Mexico. TIAS 2837. Pub. 5269. 4 pp. 5¢.

Agreement between the United States and Mexico, extending agreement of March 29 and August 15, 1949, as extended. Exchange of notes—Signed at México, D. F., June 30, 1953.

Weather Stations—Cooperative Program in Cuba. TIAS 2838. Pub. 5270. 7 pp. 10¢.

Agreement between the United States and Cuba. Exchange of notes—Signed at Habana June 30, 1953.

Technical Cooperation—Industrial Apprenticeship Training Program. TIAS 2839. Pub. 5271. 2 pp. 5¢.

Agreement between the United States and Brazil, extending agreement of June 30, 1952. Exchange of notes—Signed at Rio de Janeiro June 29, 1953.

Technical Cooperation—Program of Education. TIAS 2841. Pub. 5273. 12 pp. 10¢.

Agreement between the United States and Egypt—Signed at Cairo June 18, 1953.

Disposition of Certain Accounts in Thailand, Under Article 16 of Treaty of Peace With Japan. TIAS 2844. Pub. 5276. 2 pp. 5¢.

Agreement between the United States and the United Kingdom—Signed at Washington July 30, 1953.

Technical Cooperation—Public Health Program. TIAS 2852. Pub. 5293. 15 pp. 10¢.

Agreement between the United States and Egypt—Signed at Cairo June 18, 1953.

Collaboration in Atomic Energy Research and Development. TIAS 2993. Pub. 5561. 2 pp. 5¢.

Agreement between the United States and the United Kingdom—Signed at Quebec August 19, 1943.

Designations

Raymond A. Hare as Director General of the Foreign Service, effective October 19.

David H. Popper as Director, Office of United Nations Political and Security Affairs, effective October 24.

William J. Sebald as Deputy Assistant Secretary for Far Eastern Affairs, effective November 1.

Max W. Bishop as Special Assistant to the Under Secretary, with responsibility for coordinating operational planning in the Department on matters coming before the Operations Coordinating Board, effective November 2.

Walter A. Radius as Special Assistant to the Assistant Secretary for Economic Affairs, effective November 2.

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*621	11/1	Educational exchange.
†622	11/1	U.S.-Libyan agreement ratified.
*623	11/3	Educational exchange.
†624	11/3	Visit of Arab Ambassadors.
†625	11/4	Payment for new German Embassy.
*626	11/4	Program for Mendès-France visit.
*627	11/4	Visit of General Phao of Thailand.
*628	11/4	Dulles-Queen Elizabeth remarks.
629	11/5	Dulles: John Paton Davies, Jr.
630	11/6	Spain credentials (rewrite).

*Not printed.
†Held for a later issue of the BULLETIN.



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Discussions concerning possible reciprocal trade agreements and efforts to secure equitable treatment for American business interests are the chief subjects of bilateral diplomacy dealt with in this volume. Trade agreement talks were held with Argentina, Bolivia, Brazil, Chile, Ecuador, El Salvador, and Venezuela. Equitable treatment for American business interests was the subject of discussions with Argentina, Bolivia, Brazil, Chile, and Mexico.

Copies of this volume may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C., for \$3.75 each.

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bulletin

Vol. XXXI, No. 804

November 22, 1954



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The Department of State bulletin

VOL. XXXI, No. 804 • PUBLICATION 5671

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The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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52 issues, domestic \$7.50, foreign \$10.25
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The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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The New Environment of American Diplomacy

by *Livingston T. Merchant*
*Assistant Secretary for European Affairs*¹

Tonight, at the risk of violating one of the established principles of polite social procedure, I am going to talk shop. I plan to talk about my work and the jobs of other American diplomats. In particular, I want to discuss the new physical and conceptual environment in which modern diplomacy must operate.

The job of the American diplomat has changed tremendously during the last generation. Thirty years ago, I think it is fair to say that the average citizen of this country gave relatively little attention to foreign affairs. Foreign policy was an interesting subject for friendly speculation and argument, but most of us did not feel that it intimately affected our personal lives. We did not regard it as nearly so important, for example, as the outcome of a World Series game.

Today this attitude is greatly altered. Our attitudes have changed because the world has changed. A steadily increasing number of people have come to realize that our Nation's foreign policy is a matter of the most vital importance—at the lives of millions of men and women who inhabit this Nation may ultimately depend upon the effective conduct of American diplomacy. For this reason it may be interesting for us to consider some of the principal ways in which the environment of American diplomacy has changed during the past 30 years.

In the first place, I think we can all agree that the stakes of diplomacy are now immensely greater than at any time in the past. Representation of the United States abroad has never been an easy or casual task. Nevertheless, in the early years of this century, the United States did not

face an immediate threat to its very existence, as it does today. We were protected by vast oceans, by a long-established balance-of-power system in other parts of the world, and by the physical incapacity of enemy forces to launch a successful invasion of this continent.

The changes that have since taken place can be attributed only in part to political events. The greatly magnified danger to this country results primarily from changes in our physical surroundings. We should remember that the inventors of the airplane and the pioneers in the field of nuclear fission have had a great impact upon our foreign policies. The world has grown smaller; the methods of warfare have grown more destructive; and the United States has inevitably become more vulnerable.

Just as the products of scientific genius have increased our vulnerability, so has our capacity for survival been menaced by international political and economic developments. During the last 20 years we have witnessed the rise of two great empires strong enough to endanger the security of the United States. The Nazi empire was crushed after the most painful and costly war in human history. But the Communist empire rapidly seized many of the territories and peoples held by the Nazis and has continued a relentless program of expansion in all directions.

Nature of Red Threat

Today this Communist empire is the most formidable aggressive dictatorship the world has ever known. It is waging a merciless "cold war" against all free societies, with the purpose of gradually pyramiding its own capacity for attack and weakening the free world's capacity for resist-

¹Address made before the United Council on World Affairs at Boston, Mass., on Oct. 28 (press release 613).

ance. The Communist objective is to gain unchallenged superiority in all the elements of political, military, and economic power—in population, territory, natural resources, scientific and technical facilities, industrial production, military forces, and the like. For the first time in our national history we are confronted by the possibility that a potential enemy may be able to attain this kind of superiority.

At the present time, of course, the free world as a whole is distinctly superior to the Communist bloc in nearly all the elements of power essential to survival. This means that the Soviet Union is incapable, at this time, of winning an all-out war against the United States and its allies. But it would be suicidal shortsightedness for us to judge the Communist menace solely in terms of the immediate military threat to ourselves. We are menaced equally by the unceasing cold war against other parts of the world. If the Communist bloc should be permitted to capture new territories, to enslave additional millions of people, and to seize new farms, factories, mines, and laboratories, it would eventually be able to outstrip the United States in virtually every form of power, and might leave us no alternatives but surrender or total destruction. Even our substantial lead in nuclear weapons would almost certainly melt away if the Communist bloc should gain overall scientific and industrial superiority. Thus, we face a danger which is at once short-term and long-term. Our prospects for peace and survival will depend upon our ability to deal with both aspects of this danger.

And as our industrial expansion proceeds, we are becoming increasingly dependent on other parts of the world for raw materials. Today there are already a large number of vital commodities which we must import from abroad. With the passage of time, it will become virtually impossible for us to maintain our peacetime living standards, or to win any war that might be forced upon us, without access to foreign sources of raw materials.

When we add these things together—when we consider the growth of Communist power, our increasing dependence upon foreign imports, and our vastly more dangerous physical position in the world—we can see that the very life of this Nation depends, as never before in history, upon active cooperation with other free nations. A primary objective of our foreign policy is to keep other free lands out of Communist hands and to keep

these nations working with us toward our mutual objectives of peace, security, and human progress. We need strong and dependable allies, and the maintenance of friendly and cooperative relations with these allies is one of the principal tasks of modern American diplomacy.

Next, we should note that as the stakes of diplomacy have increased, the alternatives to the art of diplomacy have become vastly more terrible. In past centuries certain governments have often been willing to resort to war when they failed to achieve their objectives through diplomatic devices. Throughout most of human history these wars were fought by professional armies, with little direct effect upon the great masses of the population. By the end of World War I, however, warfare had already become so horrible that many earnest men sought to abolish war as an instrument of national policy. But the terrors of the First World War, and even the Second World War, pale into insignificance when compared with the possible consequences of war in the atomic age. Modern war may bring death to millions of men, women, and children and may mean the destruction of victor and vanquished alike. Under these circumstances it is clear that diplomacy is not only our first line of defense. It may prove to be the only line of defense that really matters.

Our New Responsibilities

A third major change in the environment of American diplomacy has been the rapid movement of the United States from a position of relative isolation to a position of prominence and responsibility in world affairs. It is sometimes difficult for us Americans to appreciate fully the significance of our new status. Recently a European diplomat was going over a collection of state papers relating to European policies in the period just prior to World War I. He had before him Blue Books, White Papers, Yellow Books, diplomatic notes, and despatches—all the important papers of the period. In all these state documents he found not one single reference to the United States as an international political factor of importance. And that was only 40 years ago.

Today I doubt that one could find many official state papers anywhere which do not at least mention the United States. There are few developments in the world today which our Government

can afford to regard with disinterest, and there are few international issues on which the views of the United States are not eagerly awaited.

This assumption of world responsibilities by the United States has not been entirely a matter of choice or design. It has been an inevitable consequence of the environmental circumstances already mentioned. We have assumed new commitments abroad and have entered into new relationships simply because the protection of our national safety and welfare required such steps. Nevertheless, all these developments have profoundly affected the work of the American diplomatic officer. As the agent of a government whose voice is often decisive, he must combine extraordinary insight and initiative with an equal measure of caution and restraint.

The change in America's international position is sometimes described as the "rise of the United States to world leadership." I feel that the word "leadership" is not the best description of our role. It is true that the United States must take the lead on many occasions and must exercise a constant initiative. At the same time, I believe that President Eisenhower gave us a clearer and truer picture of our international position when he recently stressed the word "partnership" rather than "leadership." Our relationships with our friends and allies abroad do not permit us to demand or to dictate but rather to suggest and persuade. We have no satellites, and we want no satellites. The unity of the free world can be maintained only on the basis of partnership. Secretary Dulles has repeatedly emphasized that.

I'm afraid that some Americans expect the United States Government to dominate all its relations with allied governments and are somewhat critical when our allies disagree with us. This attitude is rather unrealistic. When a man enters a business partnership he knows that he cannot thereafter run the business as if it were entirely his own. And when a nation enters an international partnership, it must recognize that it has to take account of the views and interests, and even the prejudices, of its allies. Our job in the Department of State is to protect and promote American interests, and we never forget that fact. But neither do we want to forget what our basic interests really are. We would be very foolish if we allowed ourselves to pursue our secondary interests so intensely that we sacrifice the all-important interest of maintaining the part-

nership itself. Diplomacy is essentially the art of adjusting and accommodating interests, and no partnership can survive without this process of give and take.

A successful partnership involves obligations and burdens, and we need to face this fact frankly. On the other hand, I feel sometimes that we Americans think too much about the obligations and burdens of our international alliances and think too little about the advantages and rewards we receive. We sometimes forget that the people of the United States are protected today not only by approximately 20 divisions in our own American Army but also by roughly 175 divisions in the armies of allied nations. We sometimes forget that it is not American industrial power alone that prevents the Communists from achieving unchallenged mastery of the earth but also the great industrial power of Britain, France, Germany, Italy, Japan, and other free nations. We forget that the effectiveness of our Air Force would be greatly diminished without the bases and facilities contributed by our allies. In order to understand the true significance of our international partnership, we must constantly remember that each partner receives more from the relationship than it contributes.

An Expanding Diplomacy

Another significant development which has affected the practice of diplomacy is the great expansion of the scope of diplomacy—the sizable extension of the subject matter with which the diplomat must be concerned. The growing complexity of modern civilization and the decreasing self-sufficiency of individual nations have combined to create international problems in fields of activity heretofore unknown. Similarly, the multiple devices and pressures through which the Communist bloc seeks to penetrate the free world have produced the necessity of varied kinds of cooperation in resistance to this penetration. As a result, for example, it is increasingly difficult to draw a sharp distinction between national and international problems or to separate domestic policies from foreign policies. Our own trade and tariff policies were once regarded as a purely domestic concern; now they have far-reaching international implications. A local election in a particular country may be of merely internal in-

terest, but it may also be, on occasion, a decisive battle between the forces of freedom and the forces of slavery.

This development has had important consequences for the job of the individual diplomat. During recent years, there has been a considerable growth of professional specialization in the Department of State and the Foreign Service. We need people who can deal with complex economic problems, financial problems, scientific problems, legal problems, informational problems, geographic problems, politico-military problems, and a variety of other specialties. At the same time, the need for generalists—for men and women who can deal with a wide range of problems—seems greater than ever before. As an organization, the Department of State must be able to combine a broad global perspective with the ability to deal competently with the most finite technical details, and this means that the business of diplomacy is getting bigger and tougher in almost every way.

While I don't want to bore you with statistics, I would like to illustrate the complexity of present diplomatic operations by means of a few facts and figures. The European Bureau of the State Department, which I have the honor to head, deals with all the countries of continental Europe, on both sides of the Iron Curtain, as well as the United Kingdom, Canada, Australia, New Zealand, South Africa, and various smaller European dependencies, such as Bermuda and British Guiana. We have 277 employees in Washington and are responsible for the work of 27 diplomatic missions and 82 consulates in foreign countries, containing about 2,600 American employees and 5,000 local employees. All the expenses of the Bureau and its overseas posts, including salaries, supplies, communications, travel, etc., total about \$40 million annually.

In an average week, our Bureau in Washington receives 770 cables and 560 despatches from foreign posts. Some of these are purely information; others require decisions and actions by the Department or other agencies of the United States Government. In an average week we send out approximately 200 cables and 160 instructional messages in other forms. This does not include, of course, hundreds of memoranda of official conversations, letters from American citizens, Congressional requests, and so forth. All told, we are required to deal with about 18,000 separate documents each week, many of which involve pains-

taking research and analysis and some of which require decisions that can finally be made only by the President of the United States.

Growth of Multilateral Diplomacy

Still another significant change in the diplomatic scene has been the growth of multilateral diplomacy. This is a relatively recent development. Since the end of World War II many international questions have ceased to be considered primarily on a nation-to-nation basis and have become the subject matter of discussions among large groups of nations. This increased emphasis on multilateral diplomacy has resulted primarily from the development of such organizations as the United Nations, NATO, OAS, and other regional arrangements. It has produced a necessity for a new kind of representational and negotiating relationship, which is exemplified by the international conference.

Even better examples are provided by the large number of international bodies which meet in continuous session and reach day-to-day decisions on a variety of matters in which we and our allies have common interests. NATO alone has more than 20 standing committees on which the United States is represented, and these representatives regularly present questions of fact or policy to the Department of State for decision or advice. A scholar writing a modern textbook on the arts and practice of diplomacy would need a special volume on the practice of multilateral diplomacy.

I should make it clear that multilateral diplomacy has not become a substitute for bilateral diplomacy. It does not lessen the need for effective relationships with individual countries. In some respects it intensifies this need. In order for our representatives to work effectively in international organizations, they must be able to depend upon sound relationships established with each individual government through our regular country missions. In any event, multilateral diplomacy has superimposed additional demands upon our diplomatic establishment. The multilateral conference table offers unique opportunities for international understanding and for prompt and effective action on certain critical issues, but it has inevitably complicated the work of the professional diplomat.

A final noteworthy change in the diplomat

climate has resulted from the spread of democratic concepts of government. For many years we have been shifting from what may be termed "dynastic" diplomacy toward a kind of "popular" diplomacy. Diplomacy is becoming less concerned with relationships among governments and more concerned with relationships among peoples. Fundamentally, our most valuable and dependable alliances are rooted in this people-to-people relationship. Our long-range hopes for the maintenance of successful working relationships with all free nations, as well as our hopes for the eventual modification of the policies and structures of the Communist system, will depend less upon the influence we can exert on rulers than upon the understanding we can achieve among whole populations.

In practical terms, people-to-people relationships sometimes make the work of the professional diplomat extremely difficult. He must now think in terms of the entire complex of political, economic, social, and cultural forces which determine the purposes and practices of nations and regions. He must recognize that the center of decision is no longer the cloistered chamber but the public forum and that whispered conversations between high officials usually exert less influence upon a nation's policies than the open and widespread pronouncements of the press and radio. He must be prepared at all times to have his decisions and actions tested in the crucible of public controversy and to see his most confidential undertakings analyzed and dissected in the morning newspaper headlines.

"Popular Diplomacy"

It must be confessed that some of my professional colleagues are not always happy about certain features of this so-called "popular diplomacy." There are times, I think, when every officer who has been engaged in delicate international negotiations feels that his chances of a successful result would be greatly enhanced if all newspapers and radios would temporarily vanish from the face of the earth. But the spotlight of publicity has become a fact of life and an inseparable part of modern diplomacy.

There are a few oldtimers in the diplomatic world who find it hard to adjust themselves to the glare of constant publicity. This reminds me of

a story which is fairly well known among Washington bureaucrats. Some years ago, I am told, a citizen wrote a letter to the Department of Agriculture complaining about an excessive outcropping of dandelions on his front lawn and asking how they might be removed. The Department of Agriculture sent him a pamphlet on the subject. Some weeks later he wrote another letter, explaining that the measures suggested in the pamphlet had proved unsuccessful, that the dandelions were still there in large numbers, and that he would like further advice. This time he received a personal letter, setting forth in great detail everything known to modern science about the mysterious techniques of getting rid of dandelions.

After a few months our lawn owner again reported failure. None of the methods suggested had proved effective, and he pleaded for additional help. "I love my lawn," he said, "and I want your advice as to what I should do now." The Department of Agriculture's final letter was simple and to the point. It read: "Dear Sir: We suggest that you learn to love the dandelions, too."

That's what we diplomats will have to do about the newspapers and the radio. They are here to stay, and I think we are learning to love them. We can also take considerable comfort from the knowledge that publicity is often helpful to the processes of diplomacy.

New Burdens on Government

The revolutionary changes I have described in the climate, the character, and the techniques of diplomacy have created new burdens at various levels of government. The President of the United States is required to devote a great deal more of his personal time and energy to foreign affairs than in the earlier years of our history. Members of the Congress have had to become expert in many different aspects of our foreign relations. Naturally, the burden upon the Department of State and the Foreign Service has been equally great. The professional diplomat has not only been required to undergo considerable personal adjustment but has also been required to evolve new concepts and techniques through which the interests of the United States can be served in this dangerous and ever-changing age.

On the whole, I believe that the new climate of diplomacy has certain distinct advantages. For

example, greater popular participation in the conduct of foreign relations is preferable to the system which prevailed in past centuries, when the destinies of nations might sometimes be decided by secret bargains reached by self-seeking negotiators. On the other hand, I should like to emphasize the fact that no nation's diplomatic affairs can be successfully conducted, even today, in a goldfish bowl. There is still a definite need for confidential consultations among governmental representatives and for agreements that do not have to be hammered out in the electric atmosphere of public debate. Moreover, the need for the "personal touch" on the part of the professional diplomat—the need for applying the old-fashioned qualities of tact, patience, imagination, understanding, and determination—has not diminished with the passage of time. In fact, because of the critical nature of diplomatic decisions today, the need for personal diplomatic skill is greater than ever before.

The Diplomatic Corps

This brings me to another subject about which I would like to say a few words—the job of the individual diplomat. Since I myself am a practitioner of this hazardous occupation, you are privileged to take what I say with the proverbial grain of salt. However, I sincerely believe it is a subject that requires more attention and thought than has been given in the past.

It is no secret that our diplomatic officers have been subjected to severe criticism in recent years. This criticism has been varied both in origin and object; it has not been confined to any particular group or philosophy. Some of it is just. Much of it is well-intentioned and without malice. At the same time, I think it is not an exaggeration to say that a great deal of this criticism has been grossly unfair. The overwhelming majority of our diplomatic officers, both in the United States and abroad, are loyal, hard working, and intelligent public servants whose labors too often pass unnoticed.

Very few of those who have joined the American diplomatic corps ever expected glamour or glory as a reward. It is proper that the returning military hero who has won a great battle should receive a welcoming parade. But the diplomat who has perhaps avoided a war—or who has achieved a vital national objective without war—

gets no such acclaim. This, too, is as it must be. Diplomatic successes do not lend themselves to elaborate publicity. In fact, the very phrase "diplomatic victory" is something of a contradiction in terms, since a successful diplomatic effort usually involves an accommodation of interests with other countries and its fruits may be dissipated by the claim that one country or another has achieved a "victory." The most effective diplomacy is often ignored by the headline writers.

Most of my colleagues are quite satisfied to dispense with glory. They accept the fact that the business of diplomacy, like most other businesses is more than 90 percent hard work—and often very dull work. On the other hand, the average diplomatic officer feels that it is not too much to ask that he be given a modicum of understanding and respect. He doesn't ask that people shower him with ticker tape, if they will only stop pelt-ing him with rotten eggs.

The fundamental sources of this criticism, I believe, are not hard to find. Through no choice of our own, we Americans have been compelled to live in an age of extreme peril. The safety and self-sufficiency that we once took for granted have faded away. We are repeatedly confronted by difficult and painful decisions, which affect our own destiny and that of the whole civilized world. The vast complex of international problems, which seemed so comfortably remote a few years ago has thrust itself rudely into our daily lives. Under these circumstances it is probably inevitable that the American diplomatic officer should be regarded as an unpleasant reminder of our transition from an era of relative security to an era of danger and insecurity. He is a tangible symbol of an outside world which has become both demanding and menacing.

To put it another way, the diplomatic officer has the unenviable job of telling the American people unpleasant truths and confronting them with painful decisions. This is not the best way to win a popularity contest. From ancient history, we learn that certain kings and sultans made a practice of putting messengers to death when these messengers bore ill tidings. The result, as you would expect, was that these monarchs gradually came to receive only good news, whatever the actual course of events. They thereby lost contact with the true situation in their empires and were eventually destroyed. This country is far

so wise to repeat such a tragic mistake. It is not important that the diplomat be popular, but it is vitally important that he receive the confidence and respect that his labors warrant.

I do not want to imply that the American diplomatic service is above criticism. Secretary Dulles and his staff have recognized the need for constant improvement in the quality of the service and are laboring steadily toward this objective. Significant progress has already been made. In fact, I believe it is remarkable to note the extent to which the American diplomat has adapted himself to the new environment of diplomacy and has risen boldly to accept the unprecedented challenge of the times.

No matter how effective our professional diplomats may become, there will always be room for public criticism, both of policies and techniques. To paraphrase Clemenceau's famous statement on war: "Diplomacy has become much too important to be left solely to diplomats." It is now a matter of life and death to our entire population. But as the general public plays an increasing role in the development and execution of foreign policies, it becomes all the more important that the public understand clearly the intricate problems involved.

The final measure of American diplomacy will be its results. During recent months American diplomats have made important contributions to our national security and to the peace and stability of the whole world. The end of the war in Korea, the accord between the United Kingdom and Egypt, the settlement of the oil controversy in Iran, the Trieste agreement, the Manila security pact and the Pacific Charter, and the more recent agreements in London and Paris on an associated Western European defense system—all these far-reaching developments offer renewed hope for a better and safer universe. And American diplomats take pride in the part we have played—sometimes a key part—in these achievements. We are also proud of the tribute paid the diplomatic corps 2 weeks ago in Washington by President Eisenhower when he stood before us and spoke these words:

If there is any organization that should have the highest morale based firmly in its own convictions as to the importance of its work, the necessity for successful accomplishment regardless of what critic or opponent may say, a morale based in that high belief in a cause, then that should be the Foreign Service and the State Department—as, indeed, I believe it is.

U. S. and Japan Discuss Mutual Interests

STATEMENT BY THE PRESIDENT AND THE PRIME MINISTER

White House press release dated November 10

President Eisenhower and Prime Minister Yoshida met on November 9 and reaffirmed the spirit of friendly cooperation characterizing the relations between the United States and Japan.¹ The Prime Minister also met with Secretary of State Dulles, Secretary of Treasury Humphrey, Secretary of Defense Wilson, and Director Stassen of the Foreign Operations Administration. The Prime Minister and Secretary Dulles at their meetings this week, after a full and frank exchange of views on matters of mutual interest, reviewed the conversations held during the past 3 weeks by representatives of the two governments.

I

The President and the Prime Minister agreed that the solidarity and determination of the free nations had greatly advanced the cause of world peace. They declared that their governments would, in cooperation with the free nations of Asia, continue their united efforts to maintain and promote the peace and prosperity of Asia. The Prime Minister reaffirmed his Government's determination to make a full contribution to those efforts and in particular stressed Japan's desire to cooperate, wherever possible, in the development of economic strength by the free nations of Asia.

The President and the Prime Minister declared that the goals of their governments are peaceful and that their peoples desire peace and liberty for themselves and their neighbors.

II

Representatives of both governments discussed Japan's economic situation in detail. It was agreed that the economic well-being of the Japanese people is a matter of importance to the entire free world. The achievement of improved economic conditions in Japan depends partly upon the ability of the Japanese people themselves to pursue sound and constructive internal monetary and other economic policies and partly upon

¹For an announcement of the visit of Prime Minister Shigeru Yoshida, see BULLETIN of Nov. 8, p. 679.

Japan's ability to expand its trade with other countries. By various means since the end of the war the United States has been able to contribute substantially to the economic progress which Japan has achieved. The United States is aware of the efforts which Japan is making to solve its difficult economic problems and will continue to examine sympathetically means whereby it can assist the Japanese people to advance their well-being.

A number of specific measures were discussed in the recent talks. General agreement was reached that the United States would cooperate with Japan in its efforts to expand its foreign trade and achieve a better balance in its foreign economic relations. It was further agreed that the United States would sell to Japan agricultural commodities and that a substantial portion of the proceeds of these sales will be used for Japan's domestic economic improvement and defense support and for regional economic development. Other steps were discussed, such as the establishment of a productivity program in Japan and the mutual benefits which might arise from Japan's participation with the other free nations of South and Southeast Asia in the economic development of that area. Both sides agreed that these measures would be of marked benefit to Japan by improving its economic position and facilitating its efforts to attain a higher standard of living.

III

United States representatives expressed regret over the incident on March 1 in which 23 Japanese fishermen were injured—one fatally—by the fall-out of radioactive materials following a nuclear test in the Pacific. They emphasized their belief that peaceful uses of atomic energy would be steadily developed and would eventually become of great value to Japan and other friendly nations throughout the world.

IV

There was also discussion of the disposition of Japanese assets vested by the United States, and representatives of the United States stated that this matter is under consideration. Among other subjects reviewed were Communist efforts to weaken and discredit the operations of free governments in Asia, the request of Japan for expedited consideration of the cases of war criminals, and the status of the Ryukyu and Bonin Islands

in the light of the present international situation as well as the desire of Japan for the return to the Bonin Islands of former inhabitants.

AGREEMENT ON AGRICULTURAL PROGRAM

Press release 643 dated November 13

The representatives of the Governments of the United States and Japan today reached an understanding on a \$100 million surplus agricultural commodity program for Japan under the provisions of U.S. Public Law 480.

Of the total amount, commodities with a market value of \$85 million will be sold to Japan for local currency and commodities costing \$15 million will be delivered to Japan as an outright grant to be used in support of the school lunch and clothing program.

The major portion of the proceeds of these sales will be used for Japan's domestic economic improvement, including agricultural development and for regional economic development. Seventy percent of the local currency accruing from the sale of the commodities under Title I will be used by the Japanese Government on a loan basis. The balance of the proceeds will be used for various U.S. purposes including the purchase of goods in Japan for other friendly countries, cultural exchange, agricultural market development, and expenditures of the U.S. forces in Japan, principally for the housing program under U.S. Public Law 765.

Negotiations on details of the arrangements will be continued both in Washington and Tokyo.

Japan and the United Nations

*Statement by Henry Cabot Lodge, Jr.
U.S. Representative to the United Nations*

U.S./U.N. press release 1996 dated October 27

The United States will of course support the renewed application of Japan for membership in the United Nations. Japan is the most populous single nonmember country in the world, and its eventual membership is a certainty. The United States Government believes it is essential to the success of the United Nations that Japan, and all other peace-loving states able and willing to live up to the charter, be admitted to membership as soon as possible.

Trade Agreement Negotiations Involving Japan

Press release 640 dated November 12

UNITED STATES INTENTION TO UNDERTAKE TRADE AGREEMENT NEGOTIATIONS

The Interdepartmental Committee on Trade Agreements today issued formal notice of the intention of the U.S. Government to participate, under the authority of the Trade Agreements Act of 1934 as amended and extended, in reciprocal tariff negotiations involving Japan. The President has given high priority to expansion of Japan's trading opportunities because of Japan's vital importance to free world mutual security.

Today's announcement, including the listing of products and the scheduling of hearings, formally opens U.S. preparations for participation in an international tariff-negotiating conference to be convened next February in Geneva, Switzerland, under the sponsorship of the countries associated in the General Agreement on Tariffs and Trade. The purpose of this conference will be tariff negotiations looking to Japan's full accession to the general agreement, thus enlarging her trade possibilities with other countries as well as with the United States.

To aid in the development of positions which the United States should adopt in the proposed tariff negotiations, and in accordance with established procedures, a list is also published today of the products on which the United States may consider offering concessions. Hearings are also scheduled and opportunity is provided for submission of briefs for the purpose of obtaining views and information from interested persons on all phases of these negotiations, including views for or against concessions which the United States might seek or offer on particular products.

Attached to the committee's notice of intention to negotiate is a list of products on which modifications may be considered during the negotiations. Listing of an item is for the purpose of gathering

information on the possibility of a concession; it does not necessarily mean that a concession will be offered on the product. No tariff concession can be made by the United States on any product not included in this or a subsequent published list.

As indicated in the announcement, the United States also proposes to take advantage of the occasion of these tariff negotiations to carry out four renegotiations arising out of various U.S. actions. In two cases, there was enacted legislation calling for modification of certain trade agreement obligations by an upward adjustment of import duties for commodities affected by exceptional developments. The laws in question are Public Law 689 on fish sticks and Public Law 479 on certain rubber-soled shoes. The third case relates to the escape-clause action taken by the United States in which it modified the concession on dried figs. No change is contemplated in the present tariff treatment of figs, but under the agreement the escape-clause action permits other countries to seek compensatory adjustments either by new concessions on our part or by withdrawal of concessions by affected countries. In a fourth case, when Uruguay became a party to the agreement last December, the United States did not find it possible to proclaim certain concessions that had been negotiated on meat products.

The majority of the listed articles are included for the purpose of giving consideration to concessions in negotiations directly between the United States and Japan. There are, however, many articles which are of primary interest to other countries. For these articles consideration will be given to possible concessions under circumstances where these other countries are also negotiating with Japan under the general agreement and where a concession by the United States would broaden the overall results of the multilateral negotiations through the triangular exchange of benefits.

In addition, because of the extensive and time-consuming nature of the procedures for getting information on possible concessions, there are a relatively few articles of interest primarily to countries which may decide to negotiate with Japan though they have not yet done so. As a general rule no concessions would be made on such products if the country having a primary interest does not complete its negotiations with Japan.

As required by law, the Committee for Reciprocity Information also gave notice that it will receive views of interested persons concerning any aspect of the proposed negotiations. The members of the Committee for Reciprocity Information and the Committee on Trade Agreements are the same. They include a member of the U.S. Tariff Commission and representatives designated by the Secretaries of State, the Treasury, Defense, Agriculture, Commerce, Labor, and Interior, and the Director of the Foreign Operations Administration.

Domestic producers, importers, and other interested persons are invited to present views and all possible information regarding products on the published list, including information relative to section 2 of the Trade Agreements Extension Act of 1954. This section provides that no action should be taken to decrease the duty on any article where the President finds that such reduction would threaten domestic production needed for projected national defense requirements. Consideration will be given to submissions concerning wages in the exporting country in accordance with the President's message of March 30.¹ All views and information will be carefully considered in arriving at a decision as to whether or not a concession should be offered by the United States on each product.

There is no limitation on the products on which the United States may request concessions, and domestic producers or exporters interested in developing markets in Japan are invited to present suggestions to the Committee for Reciprocity Information as to concessions which should be sought. The Department of Commerce also furnishes the Interdepartmental Committee on Trade Agreements with studies of the trade in and other facts regarding articles exported from the United States on which the United States might consider seeking concessions in the negotiations.

¹ BULLETIN of Apr. 19, 1954, p. 602.

Hearings before the Committee for Reciprocity Information will open on December 13, 1954. Applications for oral presentation of views and information should be presented to the committee not later than 12 noon, December 3. Persons desiring to be heard should also submit written briefs or statements to the Committee for Reciprocity Information by 12 noon, December 6, 1954. Only those persons will be heard who presented written briefs or statements and filed applications to be heard by the date indicated. Persons who do not desire to be heard may present written statements until noon, December 27, 1954. Details concerning the submission of briefs and applications to be heard are contained in the committee's notice attached to this release.

The United States Tariff Commission also announced today that it would open public hearings on December 13 to receive news and information useful in preparing its "peril-point" report to the President, as required by section 3 (a) of the Trade Agreements Extension Act of 1951, on the extent to which U.S. concessions on particular products may be made in the negotiations without causing or threatening serious injury to a domestic industry producing like or directly competitive products.

Views and information received by the Tariff Commission in its hearings referred to above will be made available to the Committee for Reciprocity Information for consideration by the Interdepartmental Committee on Trade Agreements. Persons whose interests relate only to import products included in the list published today and who have appeared before the Tariff Commission need not—but may if they wish—appear also before the Committee for Reciprocity Information.

However, persons wishing to present material on U.S. import concessions other than the material they have presented to the Tariff Commission should file written statements or briefs with the Committee for Reciprocity Information, or may, if they wish, request appearance before that committee. Persons wishing to suggest additional items on which U.S. import concessions may be considered, and which do not appear in a published list, should present their views to the Committee for Reciprocity Information.

Copies of the notice of the Tariff Commission may be obtained from the Commission.

INTERDEPARTMENTAL COMMITTEE ON TRADE AGREEMENTS

- I. Trade-Agreement Negotiations under the General Agreement on Tariffs and Trade Relating to Japan;
- II. Possible Adjustment in Preferential Rates on Cuban Products.

Pursuant to Section 4 of the Trade Agreements Act, approved June 12, 1934, as amended (48 Stat. 45, ch. 474; 65 Stat. 73, ch. 141) and to paragraph of Executive Order 10082 of October 5, 1949 (3 CFR, 1949 Supp., p. 126), notice is hereby given by the Interdepartmental Committee on Trade Agreements of intention to participate in trade-agreement negotiations, on a reciprocal basis, looking to Japan's accession to the General Agreement on Tariffs and Trade, as a means of improving Japan's trading prospects in the free world. With a view to the further expansion of such trading prospects, the United States is also considering, in addition to negotiations directly with Japan, participating in limited negotiations with other contracting parties to the General Agreement that will also be negotiating with Japan, in order to broaden the overall results of the negotiations.

There is annexed hereto a list¹ of articles imported into the United States to be considered for possible modification of duties and other import restrictions, imposition of additional import restrictions, or specific continuance of existing customs or excise treatment in the trade agreement negotiations of which notice is given above. In addition to articles of primary interest to Japan, there are also being listed some articles of interest to certain contracting parties as well as to Japan, and a few articles which are believed to be of primary interest to other contracting parties that may be negotiating with Japan, some of which articles are closely related to articles of primary interest to Japan.

Notice is also given of intention to negotiate settlement of several outstanding problems arising out of various actions by the United States. Negotiations are contemplated looking to such modi-

fication of trade agreement obligations as may be necessary in view of the enactment of Public Law 479 of the 83d Congress relating to certain rubber-soled shoes and Public Law 689 of the 83d Congress relating to certain prepared fish. In addition, the United States modified its concession on figs, fresh, dried, or in brine, as a result of an escape clause action. Finally, the United States did not find it possible to carry out obligations negotiated with Uruguay with respect to certain meat products. Among the possible outcomes of these negotiations might be a granting of such concessions on some items in the annexed list as may be necessary to compensate for the above actions of the United States.

The articles proposed for consideration in the negotiations are identified in the annexed list by specifying the numbers of the paragraphs in tariff schedules of Title I and Title II of the Tariff Act of 1930, as amended, in which they are provided for together with the language used in such tariff paragraphs to provide for such articles, except that where necessary the statutory language has been modified by the omission of words or the addition of new language in order to narrow the scope of the original language. Where no qualifying language is used with regard to the type, grade, or value of any listed article, all types, grades, and values of the article covered by the language used are included.

In the case of each article in the list with respect to which the corresponding product of Cuba is now entitled to preferential treatment, the negotiations referred to will involve the elimination, reduction, or continuation of the preference, perhaps in some cases with an adjustment or specification of the rate applicable to the product of Cuba.

No article will be considered in the negotiations for possible modification of duties or other import restrictions, imposition of additional import restrictions, or specific continuance of existing customs or excise treatment unless it is included, specifically or by reference, in the annexed list or unless it is subsequently included in a supplementary public list. Only duties on the articles listed imposed under the paragraphs of the Tariff Act of 1930 specified with regard to such articles and import taxes imposed on such articles under the Internal Revenue Code will be considered for a possible decrease, but additional or separate ordinary duties or import taxes on such articles im-

¹Not printed here. Full list appears in the *Federal Register*, Nov. 16, p. 7380, and in Department of State Publication 5653 (Commercial Policy Series 145), which is available in the field offices of the Department of Commerce and from the Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D. C.; in addition copies are on sale for 20 cents each by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

posed under any other provisions of law may be bound against increase as an assurance that the concession under the listed paragraph will not be nullified. In addition, any action which might be taken with respect to basic duties on products may involve action with respect to compensating duties imposed on manufactures containing such products. In the event that an article which as of January 1, 1954, was regarded as classifiable under a description included in the list is excluded therefrom by judicial decision or otherwise prior to the conclusion of the trade-agreement negotiations, the list will nevertheless be considered as including such article.

Persons interested in exports may present their views regarding any tariff or other concessions that might be requested from Japan. Any other matters appropriate to be considered in connection with the negotiations proposed above may also be presented. Public hearings in connection with the "peril point" investigation of the United States Tariff Commission in connection with the articles included in the annexed list, pursuant to section 3 of the Trade Agreements Extension Act of 1951, as amended, are the subject of an announcement of this date issued by that Commission.

Pursuant to Section 4 of the Trade Agreements Act, as amended, and paragraph 5 of Executive Order 10082 of October 5, 1949, information and views as to any aspect of the proposals announced in this notice may be submitted to the Committee for Reciprocity Information in accordance with the announcement of this date issued by that Committee.

By direction of the Interdepartmental Committee on Trade Agreements this 13th day of November, 1954.

CARL D. CORSE,
Chairman
Interdepartmental Committee
on Trade Agreements

COMMITTEE FOR RECIPROCITY INFORMATION

- I. Trade-Agreement Negotiations under the General Agreement on Tariffs and Trade relating to Japan;
- II. Possible Adjustment in Preferential Rates on Cuban Products.

Submission of Information to the Committee for Reciprocity Information

Closing date for application to be heard, December 3, 1954

Closing date for submission of briefs, December 1954

Public hearings open, December 13, 1954

The Interdepartmental Committee on Trade Agreements has issued on this day a notice of intention to participate in trade-agreement negotiations, on a reciprocal basis, looking to Japan's accession to the General Agreement on Tariffs and Trade, as a means of improving Japan's trading prospects in the free world. With a view to the further expansion of such trading prospects, the United States is also considering, in addition to negotiations directly with Japan, participating in limited negotiations with other contracting parties to the General Agreement that will also be negotiating with Japan, in order to broaden the overall results of the negotiations.

Annexed to the notice of the Interdepartmental Committee on Trade Agreements, is a list of articles imported into the United States to be considered for possible concessions in the negotiations. The Committee for Reciprocity Information hereby gives notice that all applications for oral presentation of views in regard to the proposed negotiations, which must indicate the product or products on which the individuals or groups desire to be heard, and an estimate of the time required for such presentation, shall be submitted to the Committee for Reciprocity Information not later than 12:00 noon, December 3, 1954, and all information and views in writing of persons who desire to be heard in regard to the foregoing proposals shall be submitted to the Committee for Reciprocity Information not later than 12:00 noon, December 6, 1954. Written statements of persons who do not desire to be heard shall be submitted not later than 12:00 noon, December 27, 1954. Such communications shall be addressed to "Committee for Reciprocity Information, Tariff Commission Building, Washington 25, D. C.". Fifteen copies of written statements, either typed, printed, or duplicated shall be submitted, of which one copy shall be sworn to.

Written statements submitted to the Committee, except information and business data proffered in confidence, shall be open to inspection by interested persons. Information and business data proffered in confidence shall be submitted on separate pages clearly marked "For official use only of Committee for Reciprocity Information."

Public hearings will be held before the Com

mittee for Reciprocity Information, at which oral statements will be heard. The first hearing will be at 2:00 p. m. on December 13, 1954, in the Hearing Room in the Tariff Commission Building, 7th and E Streets, N. W., Washington 25, D. C. Witnesses who make application to be heard will be advised regarding the time and place of their individual appearances. Appearances at hearings before the Committee may be made only by or on behalf of those persons who have filed written statements and who have within the time prescribed made written application for oral presentation of views. Statements made at the public hearings shall be under oath.

Persons or groups interested in import products may present to the Committee their views concerning possible tariff concessions by the United States on any product, whether or not included in the list annexed to the notice of intention to negotiate. However, as indicated in the notice of intention to negotiate, no tariff reduction or specific continuance of customs or excise treatment will be considered on any product which is not included in the list annexed to the public notice by the Interdepartmental Committee on Trade Agreements, unless it is subsequently included in a supplementary public list.

The United States Tariff Commission has today announced public hearings on the import items appearing in the list annexed to the notice of intention to negotiate to run concurrently with the hearings of the Committee for Reciprocity Information. Oral testimony and written information submitted to the Tariff Commission will be made available to and will be considered by the Interdepartmental Committee on Trade Agreements. Consequently, those whose interests relate only to import products included in the foregoing list, and who appear before the Tariff Commission, need not, but may if they wish, appear also before the Committee for Reciprocity Information.

Persons interested in exports may present their views regarding any tariff or other concessions that might be requested from Japan. Any other matters appropriate to be considered in connection with the proposed negotiations may also be presented.

Copies of the list attached to the notice of inten-

tion to negotiate may be obtained from the Committee for Reciprocity Information at the address designated above and may be inspected at the field offices of the Department of Commerce.

By direction of the Committee for Reciprocity Information this 13th day of November, 1954.

EDWARD YARDLEY

Secretary,

Committee for Reciprocity Information

Talks on U.S.-Philippine Relations

White House press release dated November 3

President Eisenhower received Senator [José P.] Laurel on November 3, and they discussed in general the relations between the United States and the Philippines and the current consultations between the two Governments regarding the Philippine Trade Agreement.¹

The President stated that the United States has observed with great interest and satisfaction the recent progress achieved by the Government of the Philippines toward solving the problems and dislocations caused by World War II. Senator Laurel explained the great desire and need of the Philippine Government to pursue its program for economic development.

President Eisenhower indicated the continuing sympathetic interest of the United States in the effective and rapid economic development of the Philippines and reiterated the intention of the United States to continue to extend aid to the Philippines for this purpose. With this in mind the U.S. Government has extended substantial assistance in the past on both a grant and loan basis and is now considering the Philippine Government's proposal for aid next fiscal year in the form of loans and grants. Both forms of aid would be extended within the framework of the economic development program now being prepared by the Philippine Government and would be designed to encourage maximum participation by private enterprise in the development of the Philippines.

¹ BULLETIN of Sept. 20, 1954, p. 404, and Oct. 11, 1954, p. 541.

Strengthening the General Agreement on Tariffs and Trade

Statement by Samuel C. Waugh

Assistant Secretary for Economic Affairs¹

The basic idea underlying the General Agreement on Tariffs and Trade is as simple as it is far reaching. This is that it is possible to construct a code of principles and rules which will guide the conduct of trade among all the countries of the free world and assure that such trade is carried on with the maximum possible freedom and on a basis of equity to all concerned.

Sweeping as this conception is, however, it is but a reflection of the fact embodied in so many facets of international life today, that the world is constantly and rapidly becoming smaller and that countries in their commercial as well as political relations must learn to live with one another. The free world simply must not permit itself to lapse into unrestricted protectionism, discrimination, and controls. If there were no general agreement today, we should have to create one.

In the 7 years during which it has been in effect, the general agreement has amply justified the faith of those who believe that a universal code of trade principles can be made to work. Under its aegis, tariffs of the contracting parties have been substantially lowered on a reciprocal and mutually advantageous basis; discriminations have been relaxed; numerous trade disputes have been amicably settled; and countries have acquired the habit of consulting together on mutual trade problems. There is every reason to believe that these accomplishments of the agreement have made a significant contribution to the advancement of the objectives which are laid down in its preamble.

¹ Made at the Ninth Session of the Contracting Parties to the General Agreement on Tariffs and Trade at Geneva on Nov. 10 (press release 637). Mr. Waugh is chairman of the U.S. delegation to the session.

These achievements are a source of solid satisfaction. However, no one has ever claimed that the general agreement is a perfect instrument. Our experience with it in the light of the enormous changes that have occurred in the world economic situation during the last 7 years clearly points to certain adjustments which need to be made and to serious deficiencies which should be remedied. If we can reach agreement on such changes we shall have a stronger, more flexible, and a somewhat simpler agreement. This is the task before us and as the chairman² has suggested in his admirable opening address, further progress toward an effective system of multilateral trade and payments depends in no small measure on how well we accomplish this task.

In approaching this problem my Government has certain major objectives which I shall outline presently. Thereafter, I shall touch on some subjects in which other countries have expressed strong interest.

Principal U.S. Objectives

The three principal objectives of the United States in the present review are: first, to provide the general agreement with an organizational framework which will permit it to operate more effectively and on a permanent basis; secondly, to strengthen and simplify the provisions relating to quantitative restrictions imposed for financial reasons; and thirdly, to safeguard the tariff concessions and assure their stability, while providing needed flexibility.

I have been gratified to note from the speeches

² Dana Wilgress of Canada.

of my fellow delegates that the objectives I have just outlined are shared by other countries. Permit me now to indicate in general terms my Government's views on each of these points.

First, as to the question of organization: The general agreement was initiated in 1947 as a provisional arrangement except as related to tariffs. This condition, unavoidable at that time, has been a limiting factor in the work of the contracting parties and has endowed the general agreement with an air of impermanence which is unsuited to the attainment of maximum effective action. Under present arrangements, the contracting parties normally meet only once a year to consider problems arising under the agreement. Between these annual meetings, the Intersessional Committee has acted on their behalf, but only with respect to a narrowly defined number of problems. The contracting parties have themselves considered and acted on the great majority of problems arising under the general agreement. Valuable as the work of the Intersessional Committee has been, it has remained essentially a stop-gap device.

My Government believes that this situation must be corrected. Problems of international trade arise almost daily, and it is essential that there be set up, within the framework of the GATT, procedures and arrangements for dealing more expeditiously with problems as they occur. In this connection, we would emphasize the need for close and more effective coordination between the contracting parties and the International Monetary Fund on matters of mutual concern, particularly in the matter of quantitative restrictions for balance of payments reasons.

Secondly, as regards the question of quantitative restrictions imposed for balance of payments reasons: When the general agreement was negotiated in 1947, the world was still struggling to extricate itself from the ruins of the Second World War, and most of the controls which countries had been forced to impose on their foreign trade and payments during the war were still being maintained in full vigor. With reconstruction only fairly begun, production at low levels, inflation still rampant, and monetary reserves depleted, there could be no serious thought of a substantial relaxation of restrictions. The extreme caution necessitated by these conditions is reflected in the broad escapes and hedges written into the balance of payments provisions of the agreement.

Improved Economic Situation

Since then, the world has come far, indeed. Reconstruction has been virtually completed, monetary stabilization has been restored, international reserves have been recouped, production far exceeds prewar levels, and real incomes are everywhere on the upgrade. There are, of course, exceptional situations here and there, but as a whole we are undoubtedly in the midst of considerable prosperity.

This gratifying state of affairs is the result of the efforts of many countries. The war-ravaged countries, in spite of the greatest hardships, have accomplished in a remarkably short period of time the task of at once rebuilding, enlarging, and to a large extent modernizing their economies. The underdeveloped countries have made great strides in expanding output and in developing their human and material resources.

We are happy that our country too has been able to play a part in the postwar recovery of the free world, and we appreciate the friendly references which have been made to the aid which the United States has extended to other countries, and to our various programs by means of which large amounts of dollar exchange have been made available to the rest of the world. But I should like to direct your attention to another factor which for some reason is frequently overlooked, though it is probably more important than any other in the great improvement that has recently taken place in the world's dollar situation. I refer to the massive and constantly growing volume of imports into the United States from the rest of the world. In 1953 the physical volume, that is, the "quantum," of our imports was no less than 28 percent above the volume of 1948. Preliminary estimates indicate that, even with the slight decline in the level of economic activity in the United States, the volume of imports in 1954 will still be about 24 percent above 1948 and some 55 percent above the average for the years 1937 to 1939 inclusive.

The point I should emphasize in this connection is that the maintenance and steady growth of this tremendous volume of imports would have been impossible if the United States had not pursued what, by any fair standard, must be regarded as a liberal commercial policy. To a great extent, of course, these large imports are associated with the high levels of income and employment which the

United States has enjoyed in recent years. But there can be no question that the reductions that have been made in our tariff duties over the last two decades, first through our bilateral reciprocal trade agreements and more recently through the general agreement, have contributed very significantly to this development. In this connection it is noteworthy that in recent years the relative increase in imports of dutiable goods has been considerably greater than that of goods on our free list. Our present volume of imports also reflects another fact, sometimes forgotten in the attention focused on certain quotas maintained by the United States. This fact is that, apart from these exceptions which can only be regarded as minor when viewed against the total volume of our trade, imports into my country are virtually free from quantitative restrictions.

In calling attention to these facts, I do not mean to imply that we intend to stop where we are. My Government appreciates that there are certain directions in which our commercial policy can be further improved. As the President stated in his message which I read to you on Monday, some portions of our program have already been put into effect and, in the President's words,

The remaining parts, especially the heart of the program—extension and amendment of our Trade Agreements Act—will . . . be pressed at the session of the Congress which begins in January, and I look forward to early action.

Policies pursued by the United States have contributed directly to the development of favorable conditions making possible the removal of quantitative restrictions imposed for balance of payments reasons. In successive negotiations under the GATT, the U.S. Government has made substantial tariff concessions which have encouraged the entry of an unprecedented volume of imports.

These are in accordance with the principle of greater freedom of trade to which the contracting parties subscribe. What we do regret, however, and what large elements of our business and farm community do not understand, is that in spite of the great improvement that has taken place in the external financial position and competitiveness of most countries, quantitative restrictions against U.S. products should be so widespread.

Where such restrictions are maintained it is clear that they partially or completely nullify the tariff concessions which the United States has obtained.

Message from the President

Following is the text of a letter from the President to Assistant Secretary Waugh which the latter read to the GATT delegates on November 8.

DEAR MR. WAUGH: Since you are soon leaving to participate in the Ninth Session on the General Agreement on Tariffs and Trade in Geneva, I should like to ask that you convey to your fellow delegates the importance that we attach to a successful outcome of the forthcoming renegotiation and review of the Agreement. The task before the contracting parties at this Ninth Session is one of crucial significance to the further economic growth of the free world.

At the time of the Eighth Session, the United States and other countries were reappraising their international economic policies. Based upon such a review in the United States, I recommended in March of this year a program for expanding international trade and overseas investment, for promoting currency convertibility, and for reducing the need for economic aid. Some portions of this program have already been put into effect. The remaining parts, especially the heart of the program—extension and amendment of our Trade Agreements Act—will, as you know, be pressed at the session of the Congress which begins in January, and I look forward to early action.

That program envisages United States participation in a multilateral approach to tariffs and trade. The General Agreement has made a useful contribution to the postwar recovery and restoration of the economic vitality of the free world. It was established at a time when the economies of most countries had been seriously weakened. The trade rules of the Agreement recognized that the objective of the widest possible movement of goods among the countries of the world could not be immediately realized, but the goal was set with confidence that it would be progressively achieved. I am convinced that economic reconstruction and growth has now reached a point in many countries to warrant further development of the Agreement, so that we may progress with even more assurance toward our ultimate objective. It would also seem essential that an effective organization be established for the administration of the Agreement and otherwise to promote an expansion of world trade.

The interests of the participating countries may at times seem to conflict. Our mutual goal is of such importance to the economic strength and well-being of all our peoples, however, that this session must be a practical demonstration of the ability of free countries to reach agreement on difficult issues. I am hopeful that ways and means of moving forward now toward our common goal will be found and that the Ninth Session of the Contracting Parties will be one of high achievement.

This is obviously an unsatisfactory state of affairs, from the viewpoint of the contracting parties as well as from that of the United States, and one which cannot continue indefinitely.

It is therefore with particular regret that we heard suggestions on Monday that the revised agreement should not deal firmly and positively with the question of limiting the use of protective quotas. We are also disturbed at suggestions that the firm commitments now in the general agreement against protective quotas be weakened, and that this problem be dealt with on a basis of bargaining or regional discrimination. Such an approach would, in our judgment, prevent the achievement of the objectives for which the agreement stands. It might well lead people in the United States to question the value of the agreement to us and whether there is any hope of our country's ever being able to reap the benefits anticipated from tariff negotiations.

My Government believes that conditions are rapidly approaching the point where the tariff concessions granted to the United States on a reciprocal basis should be made more fully effective. This is one of the reasons for our interest in reexamining the provisions of the general agreement dealing with quantitative restriction for balance of payments reasons.

Now, turning to the third major objective of my Government in the present review: The multilateral and reciprocal tariff reductions that have been negotiated in the context of the general agreement constitute the outstanding achievement of the contracting parties. My Government places the greatest emphasis on the need to preserve these gains. Nevertheless, we recognize that special or emergency situations may arise from time to time which may necessitate the review of certain concessions. It should be borne in mind, however, that the tariff concessions are the material of which the agreement is woven; to unravel them by a wide range of renegotiations is to risk destroying the entire postwar fabric of international economic cooperation. Requests for renegotiation at this session should be scrutinized carefully in this light. My Government considers it vital to maintain the stability of existing tariff concessions while providing the necessary degree of flexibility.

During the present review our delegation will wish to discuss with the contracting parties certain problems connected with U.S. agricultural policy.

One aspect of this policy which has been of particular concern to a number of countries relates to the question of export subsidies. In its proposals submitted to the contracting parties in connection with the review, my Government has already indicated that it is prepared to discuss the desirability of appropriate limitations with respect to the use of export subsidies in this field. As regards the disposal of surplus agricultural commodities in the world market, my Government is proceeding on its announced principle that such disposal should not unduly interfere with normal marketings.

Another problem which we would hope to resolve at this session is the relationship between the general agreement and section 22 of our Agricultural Adjustment Act, as amended.

One of the misfortunes associated with war is that it leads to a distortion of normal productive patterns. During the Second World War and the early postwar period, the world experienced an extremely severe shortage of foodstuffs and American agriculture was encouraged by the U.S. Government to expand production to the greatest possible extent. One of the methods employed to induce expanded output was the adoption of price-support programs designed to give the American farmer the assurance of a fair return on his production. Now, with the passing of the exigencies of the war and immediate postwar era, certain branches of American agriculture face the painful necessity of curtailing output.

My Government has recently reexamined the agricultural program of the United States in light of this situation and, as you know, has consequently adopted a new policy embodying the principle of flexible price supports. This policy is designed to bring about the necessary readjustments in our agricultural production. However, it is too early to estimate at this stage how soon, or to what extent, it will relieve the United States of the burden of farm surpluses.

In the meantime, it should be realized that the United States cannot afford to permit the unrestricted entry into its domestic market of foreign agricultural products which would not have been drawn thereto but for the magnet created by our price support program. To permit such unrestricted entry would, in the last analysis, mean supporting the world price of agricultural commodities at or near the same level as that guar-

anteed to the corresponding American commodities. Obviously, this is something that the American people cannot be expected to do.

Reference was made earlier to the desirability of considering in this review the special requirements of the underdeveloped countries. A major objective of U.S. policy is to encourage the development of the economically less developed countries of the world, and it is a source of satisfaction to my Government that the contracting parties to the GATT include countries in all stages of development. As a general rule the principle of maximum possible freedom of trade which underlies the whole of the general agreement is one whose application is beneficial to all types of economies and to countries in all stages of economic development. Nevertheless, it must be recognized that special problems may be associated with economic development. We believe the agreement should be sufficiently flexible to make it responsive to such problems, subject to procedures which will assure the safeguarding of its general objectives. My Government is prepared to give sympathetic consideration to proposals which would accomplish this purpose.

In conclusion let me repeat the conviction expressed in President Eisenhower's message, that our efforts here must produce a more effective agreement attuned to today's realities. The countries adhering to the general agreement can afford no other outcome, nor can the free world. If we approach our task in the spirit that it is a rededication as well as a review, we shall succeed.

U.S. Policy on Jerusalem

Press release 624 dated November 3

The ranking diplomatic representatives of Jordan, Lebanon, Iraq, Yemen, Saudi Arabia, Libya, Syria, and Egypt called on the Secretary of State on November 3 to make known the views of their Governments with respect to the plans for presentation of credentials in Jerusalem by the appointed American Ambassador to Israel, Edward B. Lawson.

In the course of the conversation the Secretary recalled the policy of the U.S. Government to look to the United Nations as primarily responsible for determining the future status of Jerusalem. Following normal practice, the presentation of

credentials would be effected by Ambassador Lawson at the place where the Chief of State actually is. The fact that this means that the presentation will take place in Jerusalem implies no change in our attitude regarding Jerusalem nor does it imply any change in the location of the American Embassy in Israel, which is at Tel Aviv.

FOA Announces Program of Aid to Iran

The Foreign Operations Administration on November 2 announced that the United States is prepared to offer aid to Iran in the form of loans and grants totaling \$127.3 million.

Both Iranian and U.S. Government circles have concerned themselves recently with the indication that, even with an oil settlement accomplished it would be 3 years until Iran's oil revenues would permit it to finance large-scale development from its own resources. To help Iran during the interim period, the United States has decided to make available up to \$127.3 million which would be provided from both Foreign Operations Administration and Export-Import sources. This total includes \$21.5 million for a technical-cooperation program; \$52.8 million for consumer goods imports, which will be sold by the Iranian Government for local currency (rials), which in turn will be used to support basic governmental expenditures as has been done in the past year and an additional \$53 million largely for short term developmental assistance, which would be provided for specifically approved projects.

Iran has not yet fully developed its own plans for economic development although it has submitted proposed projects to the Export-Import Bank for preliminary considerations. Some time however, will be required for Iran fully to prepare project plans and establish priorities among them, and for the bank to make its required investigations. Of the above \$127.3 million, \$85 million is being offered in the form of loans, the balance in grants; \$15 million of the latter has already been allotted on an emergency basis.

With this assistance the Iranian Government will be able to finance essential Government operations as well as develop and initiate a sound economic development program.

Italian Cabinet Expresses Thanks for Offer of Emergency Aid

White House press release dated November 1

The Italian Cabinet has expressed to our Embassy in Rome its deep and sincere thanks for the offer of the United States to provide emergency relief for the flood disaster region around Salerno.

American voluntary relief agencies are actively cooperating with Italian authorities and the Italian Red Cross in rendering every possible assistance, including the distribution of food, clothing, and medicine to the people of this stricken area.

The Southern Area Command of NATO under Admiral Fechteler has contributed drugs and other medical supplies.

The American people will be gratified to know that their representatives in Italy are participating effectively to alleviate the suffering caused by this tragic event.

Payment to German Republic for New Embassy Building

Press release 625 dated November 4

The Department of State on November 4 transmitted to the Government of the Federal Republic of Germany a check for \$300,000 for the acquisition of an Embassy building in the District of Columbia. In a short ceremony, Livingston T. Merchant, Assistant Secretary for European Affairs, and Ambassador Heinz L. Krekeler, chargé d'affaires of the Federal Republic, exchanged notes by which the check was transmitted and its receipt acknowledged. The funds were appropriated during the past session of Congress as the result of a bill introduced by Senator William Langer and Representative James G. Fulton.

The purchase of a new German Embassy in Washington became necessary because the previous building was confiscated during World War II.

Following are the texts of the notes which were exchanged.

Secretary Dulles to Ambassador Krekeler

NOVEMBER 4, 1954

EXCELLENCY: I have the honor to inform you that pursuant to Public Laws 663 and 758, 83rd Congress, the sum of \$300,000 was appropriated

for payment to the Federal Republic of Germany for the acquisition or construction of an Embassy building in the District of Columbia.

I believe this action by the Congress symbolizes the ties of friendship which now exist between the Federal Republic of Germany and the United States of America. Consequently, it gives me much pleasure to transmit herewith a United States Treasury check in the above amount.

Accept, Excellency, the renewed assurances of my highest consideration.

JOHN FOSTER DULLES

Ambassador Krekeler to Secretary Dulles

NOVEMBER 4, 1954

EXCELLENCY: I have the honor to acknowledge receipt of your note of November 4, 1954, advising that pursuant to Public Laws 663 and 758, 83rd Congress, the sum of \$300,000 has been appropriated for payment to the Federal Republic of Germany for the acquisition or construction of an Embassy building in the District of Columbia.

The Federal Republic of Germany wishes to express its appreciation for the action of the United States Government in providing these funds which it will devote to acquiring or constructing a new Embassy building in Washington.

I avail myself of this opportunity to renew the assurances of my highest consideration.

HEINZ L. KREKELER

General Collins Undertakes Mission to Viet-Nam

White House press release dated November 3

The President on November 3 designated Gen. J. Lawton Collins as Special United States Representative in Viet-Nam with the personal rank of Ambassador, to undertake a diplomatic mission of limited duration. He will coordinate the operations of all U.S. agencies in that country.

General Collins will proceed immediately to Saigon, where he will confer with Ambassador Donald R. Heath prior to the latter's already scheduled return to the United States for reassignment following 4½ years of distinguished service in Indochina. For the duration of this assignment General Collins will relinquish his other duties, including that of U.S. representative on the Mil-

itary Committee of the North Atlantic Treaty Organization.

Since the conclusion of hostilities in Indochina, the U.S. Government has been particularly concerned over developments in Viet-Nam, a country ravaged by 8 years of war, artificially divided into armistice zones, and confronted by dangerous forces threatening its independence and security.

The U.S. Government is fully aware of the immense tasks facing the Government of Viet-Nam in its effort to achieve solidarity, internal security, and economic rehabilitation. The United States has already played an important role in the evacuation of hundreds of thousands of refugees from Communist rule in North Viet-Nam.

Moreover, as the President told Prime Minister Ngo Dinh Diem in his letter of October 23d, U.S. representatives in Viet-Nam have been instructed to consider with the Vietnamese authorities how a program of American aid given directly to Viet-Nam can best assist that country. General Collins will explore this matter with Prime Minister Ngo Dinh Diem and his Government in order to help them resolve their present critical problems and to supplement measures adopted by the Vietnamese themselves.

In executing his temporary mission, General Collins will maintain close liaison with the French Commissioner General, Gen. Paul Ely, for the purpose of exchanging views on how best, under existing circumstances, the freedom and welfare of Viet-Nam can be safeguarded.

Cabinet Committee on Telecommunications

White House press release dated November 4

The President announced on November 4 the establishment of a Cabinet Committee on Telecommunications Policy and Organization, with the Director of the Office of Defense Mobilization as chairman and the Secretaries of State and Defense as members. The Secretaries of Treasury and Commerce and the Directors of the U.S. Information Agency, the Foreign Operations Administration, the Bureau of the Budget, and the Central Intelligence Agency will participate from time to time on particular matters of concern to those agencies.

The President asked the Cabinet Committee to review existing governmental policies and programs affecting all forms of electrical communications, such as telephone, telegraph, and radio, except that for the purposes of this study domestic radio and television broadcasting services have been excluded. The Committee was asked to make its report by January 31, 1955.

Developments in communications during and after World War II in conjunction with international political events of the postwar period have created a whole range of problems which should be considered from an overall standpoint, rather than on a piecemeal basis. The Nation's basic communications policies, which have not been significantly revised in 20 years, were established in a period when our position in the world and world conditions were quite different.

The Communications Act of 1934 vests in the President responsibility for controlling the operations of the large governmental telecommunications systems and also gives him considerable additional authority for use in time of war or national emergency. This act, which still is the basic expression of U.S. communications policy, assumed the existence of only two alternative situations—peace or war. It contemplated no intermediate situation such as the current cold war period. The President has emphasized the need for a comprehensive up-to-date telecommunications policy adequate to meet both governmental and private requirements of these times.

The President believes that the Government must provide effective leadership in assuring that telecommunications policies and programs will help enable our public and private organizations to play their proper roles in strengthening the unity and peaceful aims of the free world.

Standardization of FOA Procurement Rules

The Foreign Operations Administration announced on November 4 that foreign assistance procurement financing procedures affecting FOA operations in more than 60 countries have been standardized with the adoption of a revised FOA Regulation 1.¹

¹ 19 Fed. Reg. 6629.

This revision was required because of the consolidation last year into one agency, the Foreign Operations Administration, of foreign assistance activities previously conducted by separate agencies.

The revised regulation generally follows the previous edition of Foa Regulation 1 but makes the following principal changes:

It extends the regulation to all countries in which the Foa program operates.

It distinguishes between assistance for specific projects and for general commodity imports.

It eliminates the previous requirement that cooperating countries make refunds to Foa of Foa funds expended for foreign sales agents' commissions.

It also provides rules with respect to reexport and diversion of commodities.

The regulation includes the statutory provisions for informing small business of impending Foa-financed procurement and relating to transportation on U.S. flag vessels of commodities financed by Foa.

Copies of Foa Regulation 1 may be obtained from the Office of Public Reports, Foreign Operations Administration, Washington 25, D. C.

New Customs Regulations Require Fewer Certified Invoices

The Treasury Department announced on October 25 changes in customs regulations which will effect a substantial reduction in the number of documents required of importers. The Department said both foreign traders and the Customs Service would benefit from the reduction in paper work—a major objective of the bureau's continuing management improvement program.

The new regulations require fewer certified invoices, which list such information about imports as the names of the shipper and consignee, selling price of the merchandise, its character, amount to be shipped, etc. The foreign manufacturer or producer pays a consular fee of \$2.50 to have the invoice certified before the nearest U.S. consul.

The Bureau of Customs took an initial step toward relaxing the certified invoice requirement in

1950. Exemptions from the requirement have applied to merchandise that is free of duty or subject only to a specific rate of duty not dependent upon value. The new regulations extend exemptions to all importations not exceeding \$500 in value even when the rate of duty depends upon value. The value of shipments exempted from certified invoice requirements when not imported for sale has been increased to \$1,000.

Customs officials have estimated that the new regulations will eliminate certified invoices for approximately 10 percent of the number of shipments presently requiring such invoices. Studies are continuing to determine what further reductions in paper work, including additional exemptions from consular invoices, may be authorized.

The new regulations are embodied in Treasury Decision 53638.¹

Eximbank Loan to Mexico for Electric Power Program

The Export-Import Bank of Washington on November 5 announced the authorization of a credit of \$750,000 to Cia. Industrial Electrica Mexicana, S.A., to assist that company in the purchase of U.S. materials, equipment, and services for an expansion program which is designed to meet the rapidly growing demand for power in the area served by it.

Cia. Industrial Electrica Mexicana, S.A., distributes electric energy in an important agricultural area in Mexico consisting of the Mexicali Valley in Baja California, including the city of Mexicali and nearby areas. The electric energy distributed by the company is transmitted from the United States.

The Bank of America has indicated a willingness to participate in the financing by furnishing a substantial portion of additional funds required for the program without the guaranty of the Export-Import Bank.

The credit authorized will bear interest at the rate of 5½ percent per annum and will be repayable in 20 approximately equal semiannual installments beginning June 30, 1958.

¹ 19 Fed. Reg. 6857.

U. S. Endorses Report of Collective Measures Committee

Statement by Charles H. Mahoney

*U. S. Representative to the General Assembly*¹

In discussing the report of the Collective Measures Committee,² we are pursuing the same important goal we have been seeking during our consideration of disarmament. Collective security and disarmament are opposite faces of the same coin. Their purpose is to achieve a reliable common protection against aggression and thus to insure a lasting peace.

The United States, as we have said time and time again, strongly supports a disarmament program which would give security to all. It earnestly desires a disarmament program which would make it impossible for any country to engage successfully in aggression against any other country.

As we seek to achieve an effective disarmament program, it is equally important that we develop at the same time an effective collective security system to attain the goal of international peace and security. In order to save the world from the scourge of war, nations must band together to deter or suppress aggression wherever it may occur.

Only by a determined effort now to develop the capacity of the United Nations to prevent or to repel future aggression can we hope to maintain international peace and security. The stronger the collective security system, the more likely that we will be able to prevent war; that our soldiers will never have to enter the battlefield; that our tanks and armaments of war will never have to leave the training grounds; and that our airplanes can pursue the commerce of peace.

¹ Made in Committee I (Political and Security) on Nov. 1 (U.S. delegation press release 1997).

² BULLETIN of Sept. 20, 1954, p. 420.

The charter is not self-executing. The United Nations cannot by some trick of legerdemain make collective security a reality. The building of an effective collective security system is dependent upon the resolve and determination of the members of the United Nations to carry out their obligations under the United Nations Charter. It means that advance preparations are essential if any future collective measures are to be applied promptly and effectively. It means that the burdens involved in such measures must be shared equitably by the greatest possible number of states.

The Government of the United States has consistently supported an effective collective security system under the United Nations. It strongly urged the adoption of the Uniting for Peace Resolution in 1950.³ It has given its full support to strengthening the capacities of the General Assembly in the field of collective security. The United States has wholeheartedly backed the work of the Collective Measures Committee established under the Uniting for Peace Resolution to study and report to the General Assembly and the Security Council on methods which might be used to maintain and strengthen international peace and security.

The task of the Collective Measures Committee has been to explore how the collective security system of the United Nations can be made stronger; how an idea can take on bone and sinew and become a real force to protect the peace. The Committee, under the former chairmanship of Ambassador [Joao Carlos] Muniz of Brazil, and the present chairmanship of Ambassador [Santi-

³ *Ibid.*, Nov. 20, 1950, p. 823.

ago] Perez-Perez of Venezuela, has done a useful and constructive job, and the United States has deemed it a privilege to be one of its members.

In completing its third report, which we are now considering, the Committee has taken another important step toward strengthening collective security under the aegis of the United Nations. The report is a useful supplement to the two previous reports of the Committee. Like its predecessors it is not the accomplishment of one or two states but rather of the entire Committee, whose members actively participated in its preparation. It is not too much to hope that the report will fortify our common determination to prevent or suppress breaches of the peace.

Review of Three Reports

The three reports of the Collective Measures Committee should be viewed as a composite unit. They constitute a broad blueprint of important guideposts and principles of collective security which, if they are followed and supported wholeheartedly by states, will help to insure the maintenance or the restoration of international peace and security in the future.

The major part of the first report of the Collective Measures Committee was devoted to the types of military, political, and economic and financial collective measures which might be applied by the United Nations in the event of a future threat to the peace, breach of the peace, or act of aggression. The report also included suggestions on how such collective measures could be coordinated effectively and with a minimum of improvisation. The need for this kind of prior planning had been demonstrated by the difficulties encountered in Korea in organizing hurriedly the collective resistance against aggression. After analyzing the Korean experience in detail, the Committee developed a number of important principles which should greatly assist the United Nations to avoid unnecessary delays if it should ever have to take or recommend collective measures in the future. One of the most important of these was that there should be a central executive military authority responsible for the conduct of a future military operation under the aegis of the United Nations.

The second report of the Collective Measures Committee, which the General Assembly reviewed at its resumed Seventh Session in early 1953, expanded upon the first report. The Committee

gave particular attention to steps which states might take to set aside forces for possible United Nations service, to make available assistance and facilities, and to ready themselves legislatively and administratively. In its concern with methods which might be used to maximize contributions to the United Nations, the second report suggested the possibility of establishing an *ad hoc* negotiating committee to deal directly with states in securing contributions for possible collective action in the future. The Committee, in its second report, also included comprehensive lists of arms, ammunition, implements of war and other strategic items which would be of vital importance to the military operations of an aggressor. These lists should be of assistance to the Security Council and the General Assembly in expediting the application of any embargo which may be decided upon or recommended in the future.

In its third report the Committee has presented certain important principles of collective security for particular affirmation at this time in the belief that this would help to develop the common determination among states necessary to the effective application of any future collective measures by the United Nations. These principles do not ask anything impossible of states. Varying capacities of countries are recognized. While members are expected to accept their charter responsibility to unite their strength and efforts in the furtherance of charter principles, each state determines for itself, in accordance with its own constitutional processes and its own capacity, the contribution it can make to the common cause.

The first principle affirmed in this year's Committee report underscores the importance of maximum and prompt participation in any future collective measures by the greatest possible number of states. In our view, Mr. Chairman, building collective strength under the United Nations is a long-range project. It is therefore important for all states to give consideration on a continuing basis to the additional preparatory steps which they might take to place themselves in a position of readiness should the United Nations recommend or decide upon future collective measures. This principle is derived from the valuable lesson learned in Korea. Aside from the United States and the Republic of Korea, 15 members contributed the equivalent of two divisions to the United Nations action in Korea; over 40 states made contributions of a non-military nature; and an equal number joined in

the United Nations strategic embargo against the aggressor. While this marked a significant development in collective security, I think it is generally recognized that the burdens of collective resistance against aggression in Korea could have been shared more equitably. This is particularly true with respect to the contribution of manpower.

Maximum Contributions

The second principle emphasized in the Committee's third report stresses the importance of maximum and effective contributions of manpower. In the words of the report:

In the event that the collective use of force against aggression is decided upon or recommended, a primary objective shall be to secure the maximum contribution of effective military forces. States supporting United Nations collective measures should co-operate to this end not only by making their own contributions of forces but also by helping to provide logistic support to States which desire to contribute forces but are unable to provide adequately for the equipment, training or supplying of such forces from their own resources.

There are a number of reasons why certain nations were not able to contribute effective military forces in support of the United Nations action in Korea or could make only small contributions of manpower. The threat of aggression is global; it is necessary to remain vigilant and strong on many fronts. Some states therefore could make little or no contributions to United Nations action in Korea because they had important commitments to protect other crucial areas vital to the security of the free world. The economic position of a number of smaller states was another limiting factor. In still other instances certain nations wanted to contribute manpower but could not train, equip, or transport their forces, or were unable to maintain them in the field with the necessary logistic support or make reimbursement for such support. This inevitably had a discouraging effect on troop contributions in Korea.

The United States Government, at the highest level, has given serious consideration to the problem of developing the widest possible support for future United Nations collective actions which may be necessary. The policy of the United States is in accord with the second principle enunciated in the Collective Measures Committee's report. We believe that, while each nation involved in a United Nations effort to repel aggression should equip and supply its own forces to the

extent that it is able, the overriding consideration should be the maximum contribution of effective military forces. In the future, when any nation is willing to contribute effective forces to a United Nations collective action but is not able to provide logistic support, it is the belief of the United States that United Nations members should do everything they can, in accordance with their own constitutional processes and their capacities, to see to it that needed military equipment, supplies, and services are made available to such nations. The United States will do its part.

This principle should give further impetus to the development of collective security. It should help United Nations members to contribute to the common effort in accordance with their own capabilities and facilities and resources. It should encourage more nations to assume their fair share of the burdens of collective measures. We hope that it will stimulate countries to greater preparedness so that they will be able to participate promptly and effectively in any future collective measures.

The third principle in this year's report once again affirms the mutually supporting relationship between collective self-defense and regional arrangements or agencies on the one hand, and the more universal collective security system of the United Nations on the other hand. The report expresses this relationship in the following words

Collective self-defence and regional arrangements or agencies constitute an important part of collective security. When action consistent with the Charter is taken in the exercise of the inherent right of individual or collective self-defence contemplated in Article 51, or to maintain or restore international peace and security within the framework of regional arrangements or agencies covered by Chapter VIII, the United Nations should take all appropriate steps, in conformity with the Charter, to make such action effective.

Under present world conditions the United States attaches great importance to collective self-defense and regional arrangements. They play an important part within the framework of the United Nations in organizing resistance to aggression, in creating conditions essential to peace and security, and in reducing international tensions. Member states have increasingly drawn together in voluntary partnerships to obtain for themselves the benefits and security which none of them could achieve alone. The oldest of such partnerships, the Organization of American States, has con

tributed to peace and stability and to mutual understanding in this hemisphere and has thus realized one of the major purposes of the United Nations. The North Atlantic Treaty Organization is an historic step forward toward achieving the unity and security of the free countries of Europe and North America.

Southeast Asia Treaty

The Southeast Asia Collective Defense Treaty, recently signed at Manila, is a significant contribution to peace and security in that part of the world.⁴ In its preamble the signatories reaffirm their faith in the United Nations Charter. The objectives of the treaty are to promote stability and well-being in the treaty area; to strengthen peace and uphold democratic principles; to promote economic development in the area; to stand united against aggression; and to coordinate efforts for collective defense. The treaty and the Pacific Charter, also signed at Manila, proclaim the dedication of all the signatories to the principles of self-determination, self-government, and independence. One of the principal purposes of the charter is to promote these objectives.

The words spoken by Secretary Dulles at the opening session of the conference at Manila will indicate the spirit in which the United States went there to negotiate with others the Southeast Asia Collective Defense Treaty. Secretary Dulles said:

We have come here to establish a collective security arrangement for Southeast Asia. In so doing we are acting under the authority, and in accordance with the principles, of the United Nations Charter. What we do is directed against no nation and no peoples. We exercise what the charter refers to as the inherent right of collective self-defense.

The United States has itself no direct territorial interests in Southeast Asia. Nevertheless, we feel a sense of common destiny with those who have in this area their life and being.

I should like now to make a brief comment on the resolution⁵ which the United States is cospon-

soring with other members of the Collective Measures Committee. The resolution reflects the view of the Committee that it should remain in a position to pursue such further studies as it may deem desirable. This view in turn indicates the Committee's awareness of the important work it has performed in the past. It points up the contribution the Committee believes it could make in the future toward a better understanding and strengthening of collective security.

The United States Government shares this view with the other members of the Committee. We recognize that the Committee's three reports constitute a relatively comprehensive examination of the ways and means of strengthening the collective security system of the United Nations. Nevertheless, in these times of important changes in the technology of warfare, the concept of collective security needs constant and continuous reassessment. It may be that the Collective Measures Committee at some future time may find it necessary and desirable to undertake further studies in order to keep pace with the changes in collective security which we can all expect in this atomic era. The continued availability of the Committee will help to discharge the responsibility of the United Nations and of states in the field of collective security.

Treatment of Indians in South Africa

*Statements by Senator H. Alexander Smith
U.S. Representative to the General Assembly¹*

U.S. VIEWS ON DRAFT RESOLUTION

U.S. delegation press release 1994 dated October 26

The General Assembly for the eighth time since 1946 has been asked to consider the problem relating to the treatment of people of Indian origin in the Union of South Africa. Unfortunately, this question, which is the subject of differences between the Union of South Africa on the one hand and the Governments of Pakistan and India on the other and which has been the subject of negotiations between governments, has perhaps

¹ Made in the *Ad Hoc* Political Committee on Oct. 26 and in the General Assembly on Nov. 4.

⁴ *Ibid.*, Sept. 20, 1954, p. 393.

⁵ U.N. doc. A/C.1/L. 104 dated Oct. 29. On Nov. 2, by a vote of 50-5, Committee I approved the draft resolution, hereby endorsing the report of the Collective Measures Committee, directing the committee "to remain in a position to pursue such further studies as it may deem desirable," and requesting that the Committee "report to the Security Council and to the General Assembly as appropriate." The resolution was approved by the General Assembly on Nov. 4 by a vote of 48-5-2.

been one of the most difficult for the United Nations since the adoption of the charter at San Francisco.

In the past, various approaches to the problem have been tried without success. Appeals have been sent by the General Assembly to the Governments of South Africa, India, and Pakistan to negotiate for a settlement. Third-party machinery, either in the form of a commission or the good offices of one individual designated by the Secretary-General, have also been included in past attempts. These attempts underscore the intrinsic difficulty of finding a satisfactory solution to a complex and deeply rooted political and sociological problem—one which involves the serious complaint that persons are being discriminated against because of race and color. The latest evidence before us that no perceptible progress has been made is the report of the Good Offices Commission,² comprised of the distinguished representatives of Cuba, Syria, and Yugoslavia. The Commission has reported that it has been unable to make any progress toward the development of a solution to the problem.

However, we have not lost hope that a mutually satisfactory settlement may ultimately be achieved. Complicated problems are rarely susceptible to easy and quick solutions. Like many other representatives here who are intimately acquainted with race relations problems in their own countries, what I will have to say concerning the basic American attitude is largely derived from our own experience in this field within the United States.

We realize full well, as others do, that translating ideals into realities in the field of human relations is not always as rapid as we might desire. We are a country of many strains, a melting pot of numerous groups, and a community of many religious beliefs. I am privileged to represent the State of New Jersey in the Senate of the United States. Among my constituents are Americans of many groups: Hungarian, Ukrainian, Polish, Greek, German, Italian, Irish, Negro, Slovene, and others. A substantial percentage of the total population of the State of New Jersey are foreign born or are of foreign-born parents. We have made progress, yet problems remain.

Many sincere and serious words have been

spoken by my distinguished predecessors on earlier United States delegations and by the honorable members of other delegations. I have found it instructive to study some of those speeches. One fact which is impressive is the number of times the different speakers have referred to a basic tenet found in one form or other in all leading religions in what we in America call the Golden Rule—"Do unto others as you would have them do unto you." Most of the delegates including I, believe the successive delegates of the United States who have debated this question in the past sessions spoke with humility and deep awareness of the imperfections and frailties of their own peoples and their own governments. We are frank to admit our share of responsibility. At the same time, we have all drawn on some of our own national experience to point out the direction in which we all believe progress can and should be made in this matter of race relations.

There is in the United States the strongest attachment to the fundamental philosophy and constitutional principle on which our country was founded, such as the proposition that "All men are created equal" stated in our Declaration of Independence and the guaranties of the Bill of Rights contained in the first 10 amendments to our Constitution. A wealth of statements from our officials and leading citizens in all walks of life leaves no doubt as to the position of the United States Government and the overwhelming majority of the American people on the basic problem involved here. That position was highlighted in the great stride forward which was taken this year when the Supreme Court of the United States ruled as unconstitutional any segregation in the public schools on the basis of race, creed, or color.

In recalling that decision of the Supreme Court of the United States, it is pertinent to consider that there was a spread of 91 years between that decision and the Emancipation Proclamation of President Abraham Lincoln, which abolished the institution of slavery in the United States and freed the slaves. I mention this in no sense suggesting that a similar length of time will or should elapse before the Union of South Africa resolves its own problem in the spirit of the previous resolution of the United Nations and of the charter itself but simply to reiterate the difficulty of the situation and as illustration that problems of human relationships are not solved overnight.

² U. N. doc. A/2723 dated Sept. 15, 1954.

It has also been pointed out in speeches at earlier Assembly sessions on this issue that a particularly disturbing element in the problem before us is what appears to be the direction of the Government's policy in the Union of South Africa. The charter proclaims the fundamental equality of man and recognition of the dignity of each individual human being. The charter places on member governments the obligation to promote respect for and observance of fundamental human rights.

I should like now to turn to the resolution before us which is being cosponsored by the Governments of Argentina, Brazil, Costa Rica, Cuba, Ecuador, El Salvador, Haiti, and Honduras.² The initiative of this group in seeking to make a constructive proposal on a problem which has escaped solution for years is noteworthy and commendable. The United States Government wishes to add its wholehearted expression of appreciation for these efforts.

The United States has considered the resolution before us. Operative paragraphs 1 and 2 stress direct negotiations. We believe they are constructive since they can help to create an atmosphere conducive to negotiations between the parties. If there is to be progress, we believe it can come only to the extent that the parties are willing to confer and negotiate. The contact between the parties which has been broken on the Indian question needs to be reestablished.

However, the United States doubts whether paragraphs 3 and 4 of the resolution can advance the admirable purposes of operative paragraphs 1 and 2. The fact is that ever since 1950 the General Assembly has proposed to the parties that they utilize mediatory machinery established by the United Nations or under United Nations auspices. Every such suggestion has failed. South Africa has made it plain it is willing to negotiate but only outside the United Nations. We believe the time has come to test this avowal.

Paragraph 3 of the seven-power resolution parallels General Assembly resolution 511 (VI). The latter resolution authorized the Secretary-General, if the parties were unable to agree on the establishment of a three-man commission, to lend his assistance to them in negotiations and further, in his discretion and after consulting the governments concerned, to appoint an individual to ren-

der such assistance. When the Secretary-General explored the possibilities of this course of action with the parties, South Africa replied that, since it did not recognize the General Assembly's jurisdiction, it regretted it could not recognize the Secretary-General's competence to take this action. Consequently, the Secretary-General reported to the Assembly that after consultations with the parties he had concluded that the appointment of an individual to assist them in negotiations was not opportune.

Regarding paragraph 4, if there is to be some kind of mediator or individual rendering good offices, we are convinced that his efforts should be unhampered by any requirement for General Assembly consideration after a specified period. Inclusion of time-limit provisions in operative paragraphs 3 and 4 constitutes a practical and certainly a serious psychological handicap in mediatory efforts. He should be free to report at such time as he believes circumstances warrant. In any event, nothing would prevent the parties, if necessary, from placing the present question once again on the agenda. Paragraph 4, therefore, is in our view undesirable and unnecessary.

In line with these comments I have just made, the United States ventures to suggest a modification and adjustment of the joint draft resolution now before the committee. We suggest the replacement of operative paragraphs 2, 3, and 4 by a single operative paragraph reading as follows:

Suggests moreover, pending further consideration by the General Assembly, that the parties concerned should consider the selection of a Government, agency or person to facilitate contacts between them and assist them in settling the dispute;

Such a provision would give maximum encouragement to the parties to engage in discussions, with the assistance of a third-party mediator or good officer if the parties, in their discretion, believe that such assistance would be helpful. The provision would, at the same time, indicate that the General Assembly would return to a further consideration of this whole matter if the parties are unable to make progress with direct negotiations.

The United States is not at this time making a formal proposal for amendment of the joint draft resolution but earnestly commends to the sponsors and to the other members of this committee the suggestion I have just outlined.

² U.N. doc. A/AC.76/L.3/Rev.1 dated Oct. 25.

EXPLANATION OF U. S. VOTE

U.S. delegation press release 2007 dated November 4

We are considering once again the problem relating to the treatment of people of Indian origin in the Union of South Africa. It is a problem of great intrinsic difficulty, and for this reason I wish to express once again the appreciation of the U.S. Government for the efforts made by the Latin American sponsors in developing a resolution which has received the overwhelming support of the members of the *Ad Hoc* Political Committee.

It is our earnest hope that the parties concerned will do their utmost to resolve the issue in the spirit of that resolution.

The U.S. Government will vote in favor of the preamble of the resolution and the operative paragraphs 1 through 3. We will abstain on operative paragraphs 4 and 5 because, as we stated in the committee, we have serious doubts that the suggestions contained therein can contribute to the

Resolution on Treatment of Indians in South Africa¹

U.N. doc. A/AC.76/L.6 dated October 28

The General Assembly,

Recalling that at several sessions it has considered the question of the treatment of people of Indian origin in the Union of South Africa and has adopted resolutions on that subject,

Having noted the report of the United Nations Good Offices Commission (A/2723),

1. *Expresses* appreciation of the work and efforts of the Good Offices Commission;
2. *Suggests* to the Governments of India, Pakistan and the Union of South Africa that they should seek a solution of the question by direct negotiations;
3. *Suggests*, moreover, that the parties concerned should designate a Government, agency or person to facilitate contacts between them and assist them in settling the dispute;
4. *Decides* that, if within the next six months following the date of the resolution that parties have not reached agreement on the suggestions made in the foregoing paragraphs, the Secretary-General shall designate a person for the purposes specified above;
5. *Requests* the Secretary-General to report to the General Assembly at its next regular session on the results obtained.

¹ Adopted by the *Ad Hoc* Political Committee on Oct. 28 by a vote of 47-1 (South Africa)-10, and by the General Assembly on Nov. 4, 45-1-11.

overall purpose of the resolution. The United States will vote in favor of the resolution as a whole, since we are in full agreement with its conciliatory nature and in particular the objective of direct negotiations between the parties which it seeks to bring about.

Our belief is that progress can only come to the extent that the parties are willing to confer and to negotiate. We are hopeful that the expression of the General Assembly consensus here can help to create an atmosphere conducive to the negotiations between the parties.

In conclusion, Mr. President, I move pursuant to Rule 91 that each paragraph of the resolution be put to the vote separately.

Admission of New Members

*Statement by James J. Wadsworth
U.S. Representative to the General Assembly¹*

In his speech before the General Assembly on September 23, the Secretary of State, Mr. John Foster Dulles, remarked upon the disturbing fact that "the membership of the United Nations falls far short of representing the totality of those nations which are peace-loving, which are able and willing to carry out the obligations of the charter and which are indispensable parties to many critical international problems."² He went on to say that "unless ways can be found to bring peace-loving, law-abiding nations into this organization then inevitably the power and influence of this organization will progressively decline."

I am sure that the overwhelming majority of this committee share these views. The efforts that were made 2 years ago by a Special Committee on Membership, and this past year by the Good Office Committee, to find ways and means of bringing an end to the present stalemate bear witness to the almost universal concern that no possible avenue to solution of this issue should remain unexplored.

It is certainly cause for dismay and regret that no new member has been admitted to the United Nations since Indonesia came into the organization in 1950. There is no dearth of qualified applicants. Some have been waiting for admission since as long ago as 1946. There are now 14 state

¹ Made before the *Ad Hoc* Political Committee on Nov. 2 (U.S. delegation press release 1999).

² BULLETIN of Oct. 4, 1954, p. 476.

that have been excluded from this organization by the actions of one member which has cast its veto a total of 28 times on the membership issue. The Soviet Union has not hesitated to veto the application of states for admission to membership even though it openly admits it is doing so on grounds other than failure to meet the qualifications of article 4 of the charter. The Soviet Union has done this despite numerous determinations by the General Assembly that each of the 14 applicants fully meets all qualifications for admission. Moreover, these vetoes have been cast in defiance of the advisory opinion of the International Court of Justice that a permanent member of the Security Council may not make its position on one applicant dependent upon favorable action on another applicant.

From the very birth of this organization it was always envisaged that membership would encompass all peace-loving states accepting the obligations of the charter and able and willing to carry them out. While article 4 of the charter set certain tests for admission, membership was understood to be open to all states meeting these tests. The United States has hoped that all states would qualify for membership both because of the view that the national interests of states make desirable their participation in the work of the organization and because of the larger interest of the organization itself in having present in a single forum representatives from every participant in international affairs.

Committee of Good Offices

These are the considerations that have prompted the General Assembly to try to find means for solving the membership problem. A new effort in this direction was made last year when the Assembly established a Committee of Good Offices on which were represented Egypt, the Netherlands, and Peru. Dr. Victor Belaunde of Peru served as the distinguished chairman of the committee. All of us are indebted to the three members of the Good Offices Committee for the service they performed on behalf of the United Nations during the past year. We know that they made every effort consistent with the principles of the charter to bring about a solution of the membership problem.

All of us share the disappointment which I am sure the Good Offices Committee itself felt when it was compelled to report to this session of the

General Assembly that it had been unable to make any progress toward achievement of a solution.³ At the same time the Good Offices Committee has not abandoned hope for an eventual solution. Likewise all of us here hope that sooner or later all those applicants that are eminently qualified for admission to membership in the United Nations, and who by their presence could add substantially to the weight and effectiveness of our deliberations, will take their rightful places beside us at the conference tables of the United Nations.

We share the view expressed here by others that the General Assembly should renew the mandate of the Good Offices Committee. The committee's continued existence would insure that the membership problem will be kept under review and that no opportunity will be lost. It will be a constant reminder to the 14 qualified applicants that the overwhelming majority of the United Nations wants them as members. It will help to keep the door open, even though the outlook for a change in the attitude of the Soviet world is not bright.

Fourteen Qualified Applicants

This committee has in the past reviewed in detail every facet of the membership problem, and I see no point in covering the same ground today. I must repeat, however, the view of my Government that the 14 qualified applicants, whose admission is blocked solely by the opposition of the Soviet Union, should immediately be admitted. There is virtually no disagreement as to their qualifications. Even the Soviet Union admits that most of them are qualified, but it has continued to insist that they can be admitted only if certain other applicants sponsored by the Soviet Union are also admitted. Moreover, with respect to the 5 Soviet-sponsored candidates for membership, it is not a matter, as has been suggested by the distinguished representative of Poland [Juliusz Katz-Suchy], of internal structure, policies, or ideology. It concerns whether they are states that are peace-loving and able and willing to fulfill charter obligations. The 14 states that meet the test of article 4 and which we believe should be admitted are: Austria, Cambodia, Ceylon, Finland, Ireland, Italy, Japan, Jordan, the Republic of Korea, Laos, Libya, Nepal, Portugal and Viet-Nam.

It is unnecessary to discuss the qualifications of each one of these applicants because the General

³ U.N. doc. A/2720 dated Sept. 9, 1954.

Assembly has already determined all 14 to be fully qualified for admission and there have been no recent developments casting any doubt on their continued eligibility for admission.

The Australian delegation has proposed⁴ that separate action be taken at this session on the applications of Cambodia and Laos, on the ground that the settlement in Indochina achieved last summer at Geneva makes even more desirable their prompt admission to the United Nations. As I indicated by listing the 14 qualified applicants, my Government agrees that both states should be admitted. Our affirmative position on the Australian proposal does not mean that we do not equally desire the admission of all the other qualified applicants.

Naturally, in light of the past experience and the continued deadlock in the membership field as well as the discouraging position of the Soviet Union, it is hard to be optimistic as to the prospect of the admission of any new members no matter how highly qualified they may be or what special circumstances justifying their prompt admission may be adduced, as in the case of Laos and Cambodia. It is because of this that my Government has been giving serious study, which we intend to continue, to the possibility of arrangements whereby qualified applicants might participate in the work of the General Assembly to the maximum extent possible even though they have not formally been admitted to membership. While naturally all the applicants would prefer full membership, we believe the Assembly must continue to give thought to other ways of drawing them into our work, pending the day when they can be admitted to regular membership in the United Nations.

While these efforts continue, we should bear in mind the prospect of a charter review conference. If, by the time such a conference is held, a solution of the membership problem has not been found, there are likely to be proposals for amending the charter. In the interim, we believe that study should be given to the possibilities which a charter review conference may offer.

Let me close, Mr. Chairman, by repeating our unswerving determination to persist in exploring all possible avenues that might lead us to the goal that most of us seek so fervently—the seating of all qualified states as members of this great international body.

⁴ U.N. doc. A/AC.76/L.4 dated Oct. 27, 1954.

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- Supplementary List of Items for the Agenda of the Ninth Regular Session of the General Assembly: Item proposed by France. Amendment to the Rules of Procedure of the General Assembly; Proposal for a New Rule Concerning Corrections of Vote. Letter dated 16 August 1954 addressed to the Secretary-General by the Permanent Representative of France to the United Nations. A/2700, August 31, 1954. 2 pp. mimeo.

TREATY INFORMATION

Proclamation Affirms Reciprocal Copyright Relations With India

At the Library of Congress on October 21 George V. Allen, Ambassador to India, and Gaganvihari L. Mehta, Indian Ambassador to the United States, participated in a brief ceremony and an exchange of notes relating to a new copyright arrangement between the two countries. Following are texts of the notes, a Department announcement, remarks made at the ceremony by Ambassador Allen, Ambassador Mehta, and Quincy Mumford, Librarian of Congress, and Proclamation 3076, which clarifies the right of Indian nationals to obtain copyright protection in this country and formalizes the protection accorded by India to United States citizens.

DEPARTMENT ANNOUNCEMENT

Press release 600 dated October 21

A copyright proclamation signed by the President on October 21 and an exchange of diplomat

Department of State Bulletin

notes between the Acting Secretary of State and the Indian Ambassador at Washington served to affirm the continued existence of reciprocal copyright relations between the United States and India. This copyright arrangement represents a strengthening of the basis for increasing cultural interchange between the two countries.

The diplomatic notes and the new proclamation clarify the right of Indian nationals to obtain copyright protection in this country subsequent to August 15, 1947, when the Indian Independence Act went into effect, and formalize the protection accorded by India to U.S. citizens, which was not affected by the transfer of power.

After August 15, 1947, in the absence of a formal agreement between the two countries, the U.S. Copyright Office delayed the registration of books and other artistic and literary materials of Indian nationals. The Copyright Office may now issue certificates of registration covering works of citizens of India.

A number of important Indian books and publications are presently pending registration and will be protected under the new arrangement. These include biographies, such as *The Story of Gandhi* by Krishna Nehru, and *Prison and Chocolate Cake* by Nayantara Sahgal, the daughter of Madam Pandit.

Among the works of fiction is a novel, *The Financial Expert* by R. K. Narayan, and the scientific treatises include *Mining, Processing, and Uses of Indian Mica* by Chand Mull Rajgarhia, a member of the Indian Ministry of Commerce, and *Introduction to the Embryology of Angiosperms* by P. Maheshwari, professor of botany at the University of Delhi.

EXCHANGE OF NOTES

The Acting Secretary of State to the Indian Ambassador

OCTOBER 21, 1954

EXCELLENCY: I have the honor to acknowledge the receipt of your note of today's date, in which you refer to the recent conversations held in New Delhi between representatives of our two Governments with respect to the copyright relations between India and the United States after August 15, 1947.

You state in your note that the legal obligation of India to extend the protection of its Copyright

Law to citizens of the United States was not altered by the transfer of power on August 15, 1947, since section 18 (3) of the Indian Independence Act, 1947, provided for the continuation, except as otherwise expressly provided, of all laws which existed immediately before the transfer of power. You state that similarly the legal obligations of India with respect to copyright were not altered by the creation of the Republic of India on January 26, 1950, since Article 372 (1) of the Constitution of India provided for continuation of all laws in force immediately before India became a Republic. You state that in view of this, your Government has instructed you to state its assurances that after August 15, 1947, as before that date, citizens of the United States have been and continue to be entitled to the benefits of copyright in India on substantially the same basis as citizens of India, including rights similar to those provided by section 1 (e) of title 17 of the United States Code.

I have the honor to inform you that with a view to affirming the continuance of copyright relations between our two countries, as established prior to the change in the legal status of India, the President of the United States of America has issued today a Proclamation, a copy of which is enclosed herewith, declaring and proclaiming, pursuant to the provisions of section 9 (b) of the said title 17 on the basis of the assurances set forth in your note, that after August 15, 1947, as before that date, the conditions specified in sections 9 (b) and 1 (e) of the said title 17 have existed and have been fulfilled with respect to citizens of India, and that citizens of India, after August 15, 1947, as before that date, have been entitled to all the benefits of the said title 17.

Accept, Excellency, the renewed assurances of my highest consideration.

HERBERT HOOVER, Jr.
Acting Secretary of State

The Indian Ambassador to the Secretary of State

OCTOBER 21, 1954

EXCELLENCY: In accordance with instructions from my Government, I have the honor to refer to the recent conversations held in New Delhi between representatives of our two Governments with respect to the copyright relations between India and the United States after August 15,

November 22, 1954

1947, the date of the transfer of power pursuant to the Indian Independence Act, 1947. It is my understanding, that, upon receipt of affirmative assurances that after August 15, 1947, as before that date, Indian law has granted to citizens of the United States the benefit of copyright on substantially the same basis as to its own citizens, your Government is prepared to have issued a Presidential Proclamation under section 9 (b) of title 17, United States Code, being the Copyright Law, to continue to grant the protection of that law to citizens of India after August 15, 1947, thereby providing for and affirming the continued existence of copyright relations between our two countries as established prior to the change in the legal status of India.

The legal obligation of India to extend the protection of its Copyright Law to citizens of the United States was not altered by the transfer of power on August 15, 1947. Section 18 (3) of the Indian Independence Act, 1947, provided for the continuation, except as otherwise expressly provided, of all laws which existed immediately before the transfer of power. Similarly, the legal obligations of India with respect to copyright were not altered by the creation of the Republic of India on January 26, 1950. Article 372 (1) of the Constitution of India provided for continuation of all laws in force immediately before India became a Republic. In view of this, my Government has instructed me to state its assurances that after August 15, 1947, as before that date, citizens of the United States have been and continue to be entitled to the benefits of copyright in India on substantially the same basis as citizens of India, including rights similar to those provided by section 1 (e) of the aforesaid title 17.

Accept, Excellency, the renewed assurances of my highest consideration.

G. L. MEHTA
Ambassador of India

REMARKS AT LIBRARY CEREMONY

Ambassador Allen

MR. AMBASSADOR: I am pleased to be here today to participate in this brief but significant ceremony.

The exchange of notes which has taken place between India and the United States today is an act which should lastingly affect the cultural re-

lationship of our two countries. These assurances of reciprocal copyright protection to be afforded by each country to nationals of the other demonstrate a mutual respect and appreciation for literary and artistic works and a desire to continue the beneficial exchange of intellectual materials.

This exchange of notes constitutes an important step in the history of Indian-American relations for this represents a major agreement on cultural affairs between the United States and India subsequent to the Indian Independence Act of 1947.

I am gratified, Mr. Ambassador, by the feeling of understanding and friendship which underlies and makes possible the exchange of these mutual assurances.

Ambassador Mehta

YOUR EXCELLENCY, It is particularly appropriate that on this occasion, when we are acting to affirm the continued existence of copyright relations between our two countries, we should meet here in the Library of Congress, in this storehouse of wisdom and knowledge, learning and scholarship, where lie enshrined the thoughts of men from the earliest times down to the present day. This copyright arrangement we are entering into today will assuredly strengthen the basis for increasing cultural interchange between the United States and India. We believe that the right to knowledge is one of the foremost rights of men and I know you in this great country also believe in it with equal fervor. And it is, therefore, with feelings of especial gratification that I perform my pleasant task today. May the cultural ties between our two countries grow stronger and stronger, day by day.

Mr. Mumford

The Library of Congress as the registering agency for copyright in the United States is in a sense a guardian of the individual rights of authors, composers, and other creators of literary and artistic works in this country. We are proud today to observe the extension of this guardianship to the rights of citizens of India, whose privilege and responsibility it is to provide the world with a knowledge of their great culture.

However, the occasion for our meeting here today seems to me to have even greater significance.

cance. Although, as I have indicated, copyright can be thought of in the legal sense of protection of property rights, I believe that there is a larger motivation behind the action we are witnessing. I refer to the desire on the part of our two governments to strengthen cultural exchange between our two countries. The freedom of men and of the expression of their ideas can only survive in an atmosphere of mutual trust. Today we have reaffirmed this trust between India and the United States and the deep interest which our two countries have in each other's culture.

PROCLAMATION 3076¹

WHEREAS section 9 of title 17 of the United States Code, entitled "Copyrights", as codified and enacted by the act of Congress approved July 30, 1947, 61 Stat. 652, provides in part that the copyright secured by such title shall extend to the work of an author or proprietor who is a citizen or subject of a foreign state or nation only:

"(a) When an alien author or proprietor shall be domiciled within the United States at the time of the first publication of his work; or

"(b) When the foreign state or nation of which such author or proprietor is a citizen or subject grants, either by treaty, convention, agreement, or law, to citizens of the United States the benefit of copyright on substantially the same basis as to its own citizens, or copyright protection, substantially equal to the protection secured to such foreign author under this title or by treaty; or when such foreign state or nation is a party to an international agreement which provides for reciprocity in the granting of copyright, by the terms of which agreement the United States may, at its pleasure, become a party thereto."; and

WHEREAS section 1 of the said title 17 provides in part as follows:

"Any person entitled thereto, upon complying with the provisions of this title, shall have the exclusive right:

"(e) To perform the copyrighted work publicly for profit if it be a musical composition; . . . *Provided*, That the provisions of this title, so far as they secure copyright controlling the parts of instruments serving to reproduce mechanically the musical work, shall include only compositions published and copyrighted after July 1, 1909, and shall not include the works of a foreign author or composer unless the foreign state or nation of which such author or composer is a citizen or subject grants, either by treaty, convention, agreement, or law, to citizens of the United States similar rights."; and

WHEREAS section 9 of the said title 17 further provides: "The existence of the reciprocal conditions aforesaid shall be determined by the President of the United States, by proclamation made from time to time, as the purposes of this title may require . . ."; and

WHEREAS satisfactory official assurances have been received that after August 15, 1947, as before that date, the laws of India have granted to citizens of the United States the benefit of copyright on substantially the same basis as to citizens of India, including rights similar to those provided by section 1(e) of the said title 17:

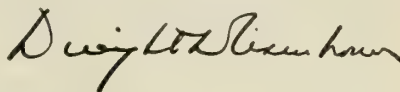
Now, THEREFORE, I, DWIGHT D. EISENHOWER, Presi-

dent of the United States of America, do declare and proclaim:

That after August 15, 1947, as before that date, the conditions specified in sections 9(b) and 1(e) of the said title 17 of the United States Code have, as between the United States and India, existed and been fulfilled, and that citizens of India, after August 15, 1947, as before that date, have been and are entitled to all the benefits of the said title 17, except those conferred by the provisions embodied in the second paragraph of section 9(b) thereof regarding the extension of time for fulfilling copyright conditions and formalities.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-first day of October in the year of our Lord nineteen hundred (SEAL) and fifty-four, and of the Independence of the United States of America the one hundred and seventy-ninth.



By the President:

HERBERT HOOVER, Jr.

Acting Secretary of State.

Agreement With West Germany on Publications Exchange

Press release 612 dated October 27

The Government of the United States and the Government of the Federal Republic of Germany on October 27 concluded an agreement on the exchange of official publications between the two countries. Following are the texts of the notes exchanged which constitute the agreement.

Secretary Dulles to Ambassador Krekeler

OCTOBER 27, 1954

EXCELLENCY: I have the honor to refer to the conversations which have taken place between representatives of the Government of the United States of America and representatives of the Government of the Federal Republic of Germany in regard to the exchange of official publications, and to inform you that the Government of the United States of America agrees that there shall be an exchange of official publications between the two Governments in accordance with the following provisions:

1. Each of the two Governments shall furnish

¹ 19 Fed. Reg. 6967.

regularly a copy of each of its official publications which is indicated in a selected list prepared by the other Government and communicated through diplomatic channels subsequent to the conclusion of the present agreement. The list of publications selected by each Government may be revised from time to time and may be extended, without the necessity of subsequent negotiations, to include any other official publication of the other Government not specified in the list, or publications of new offices which the other Government may establish in the future.

2. The official exchange office for the transmission of publications of the Government of the United States of America shall be the Smithsonian Institution. The official exchange office for the transmission of publications of the Government of the Federal Republic of Germany shall be the Federal Office for the International Exchange of Official Publications, Marburg/Lahn.

3. The publications shall be received on behalf of the United States of America by the Library of Congress and on behalf of the Federal Republic of Germany by the Federal Office for the International Exchange of Official Publications, Marburg/Lahn.

4. The present agreement does not obligate either of the two Governments to furnish blank forms, circulars which are not of a public character, or confidential publications.

5. Each of the two Governments shall bear all charges, including postal, rail and shipping costs, arising under the present agreement in connection with the transportation within its own country of the publications of both Governments and the shipment of its own publications to a port or other appropriate place reasonably convenient to the exchange office of the other Government.

6. The present agreement shall not be considered as a modification of any existing exchange agreement between a department or agency of one of the Governments and a department or agency of the other Government.

Upon receipt of a note from you indicating that the foregoing provisions are acceptable to the Government of the Federal Republic of Germany, the Government of the United States of America will consider that this note and your reply constitute an agreement between the two Governments on this subject, the agreement to enter into force on the date of your note in reply.

Accept, Excellency, the renewed assurances of my highest consideration.

His Excellency

Dr. HEINZ L. KREKELER,

*Ambassador, Chargé d'Affaires of the
Federal Republic of Germany.*

Ambassador Krekeler to Secretary Dulles

EXCELLENCY: I have the honor to refer to the conversations which have taken place between representatives of the Government of the Federal Republic of Germany and representatives of the Government of the United States of America in regard to the exchange of official publications, and to inform you that the Government of the Federal Republic of Germany agrees that there shall be an exchange of official publications between the two Governments in accordance with the following provisions:

[See U. S. note, Items 1 through 6.]

Upon receipt of a note from you indicating that the foregoing provisions are acceptable to the Government of the United States of America, the Government of the Federal Republic of Germany will consider that this note and your reply constitute an agreement between the two Governments on this subject, the agreement to enter into force on the date of your note in reply.

I avail myself of this opportunity to renew the assurances of my highest consideration.

WASHINGTON, October 27, 1954

His Excellency

THE SECRETARY OF STATE
OF THE UNITED STATES

Washington, D. C.

U.S.-Libyan Base Rights Agreement

Press release 622 dated November 1

The U.S. Government has received formal notification from the Libyan Government that the Base Rights Agreement, which was signed by the two Governments in Benghazi on September 8, 1954, has now been approved by the Libyan Parliament and has entered into force on October 30, 1954, following its ratification by Royal Decree of King Idris I.

¹ BULLETIN of Sept. 20, 1954, p. 396.

The agreement sets forth the conditions for the utilization of U.S. military facilities in Libya, where the U.S. Air Force maintains a base at Heelus Field near Tripoli. The agreement runs to the end of 1970 and is automatically renewable in the absence of 1 year's notification to the contrary by either party.

Current Actions

MULTILATERAL

Aviation

Convention on international civil aviation. Formulated at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

Adherence deposited: Viet-Nam, October 19, 1954.

Narcotic Drugs

Protocol bringing under international control drugs outside the scope of the convention of July 13, 1931, for limiting the manufacture and regulating the distribution of narcotic drugs (48 Stat. 1543), as amended by protocol signed at Lake Success December 11, 1946 (TIAS 1671 and 1859). Done at Paris November 19, 1948. Entered into force December 1, 1949. TIAS 2308.

Notification by Union of South Africa of extension to: Territory of South West Africa, October 5, 1954.

Protocol for limiting and regulating the cultivation of the poppy plant, the production of, international and wholesale trade in, and use of opium. Dated at New York June 23, 1953.¹

Ratification deposited (with declaration): India, April 30, 1954.

North Atlantic Treaty

Agreement regarding the Headquarters of the Supreme Allied Commander Atlantic (SACLANT), and exchange of letters. Signed at Washington October 22, 1954. Entered into force October 22, 1954; operative retroactively from April 10, 1954.

Trade and Commerce

Second protocol of rectifications and modifications to texts of the schedules to the General Agreement on Tariffs and Trade (TIAS 1700). Opened for signature at Geneva November 8, 1952.¹

Signature: Burma, October 4, 1954.

BILATERAL

Egypt

Agreement relating to duty-free entry and defrayment of inland transportation charges on relief supplies and packages for Egypt. Effected by exchange of notes at Cairo October 30, 1954. Entered into force October 30, 1954.

Ethiopia

Agreement amending the public health joint fund agreement of April 29, 1953 (TIAS 2904). Signed at Addis Ababa June 11, 1954. Entered into force June 11, 1954.

Germany

Agreement amending the agreement of September 9, 1952, relating to the use of the bombing range at Cuxhaven

(Sandbank). Effected by exchange of notes at Bonn September 21 and 24 and October 15 and 18, 1954. Entered into force October 18, 1954.

Spain

Agreement amending the agreement of July 30, 1954, relating to the offshore procurement program in Spain. Effected by exchange of notes at Madrid October 26, 1954. Entered into force October 26, 1954.

THE CONGRESS

Current Legislation on Foreign Policy: 83d Congress, 2d Session

Review of the United Nations Charter. Hearing before a Subcommittee of the Senate Committee on Foreign Relations on Proposals To Amend or Otherwise Modify Existing International Peace and Security Organizations, Including the United Nations. Part 7, Minneapolis, Minn., July 10, 1954. 171 pp.

Independent Management, Export-Import Bank. Hearing before the House Committee on Banking and Currency on H. R. 9523, 9524, 9555, and S. 3589. July 14, 1954. 44 pp.

Increase of Duty-Free Allowance to American Tourists. Hearing before the House Committee on Ways and Means on H. R. 8352. July 21, 1954. 47 pp.

Military Construction, 1954. Hearings before the Subcommittee on Civil Functions and Military Construction of the House Committee on Appropriations. July 23, 1954. 42 pp.

Mutual Security Program. Report on the Mutual Security Program Covering Operations During the 6-month Period Ended June 30, 1954, with Letter of Transmittal from the President. H. Doc. 495, Aug. 20, 1954. 63 pp.

THE DEPARTMENT

Responsibilities Relating to Refugees and Displaced Persons

Department Circular 123 dated November 3

1. Responsibilities for Functions Relating to Refugees, Displaced Persons, Migrants, Stateless Persons and Escapees

1.1 Within the Office of the Assistant Administrator for the Refugee Relief Program in the Bureau of Inspection, Security and Consular Affairs (SCA), the Adviser on Refugees and Displaced Persons has:

a. Responsibility for developing, coordinating and, in consultation with the concerned bureaus and offices of the Department, determining U.S. policies and positions on problems concerning refugees, displaced persons,

¹ Not in force.

migrants, stateless persons, and escapees, without regard to geographic origin or location, arising in the Intergovernmental Committee for European Migration and in regional organizations such as NATO, OEEC, and the Council of Europe, but excluding such policies and positions with respect to these matters arising in the United Nations, its organs, and the specialized agencies of the United Nations, and in the administration of U.S. immigration laws.

b. Responsibility for providing advice, information, and assistance to bureaus and offices of the Department, U.S. missions abroad, and other Federal agencies on these matters.

c. Responsibility for promoting U.S. policy objectives in this field through the Intergovernmental Committee for European Migration, for preparing and supporting requests for appropriations for U.S. contributions to the Committee, and for conducting liaison with the Committee.

d. Responsibility for providing basic policy guidance to the Foreign Operations Administration with respect to the escapee program.

1.2 The Office of International Economic and Social Affairs (OES) in the Bureau of International Organization Affairs (IO) has:

a. Action responsibility for preparing positions, with advice by the Adviser on Refugees and Displaced Persons, to be taken within the United Nations, its organs, including the Office of the United Nations High Commissioner for Refugees, and specialized agencies concerning refugees, displaced persons, migrants, stateless persons and escapees, and for promoting U.S. policy objectives in this field within these bodies.

b. Responsibility for liaison with the Adviser on Refugees and Displaced Persons with a view to securing coordination and avoiding duplication in the program of the Intergovernmental Committee for European Migration and related programs of the United Nations, its organs and specialized agencies.

1.3 The Office of International Administration (OIA) in the Bureau of International Organization Affairs has responsibility for:

a. Reviewing and advising on fiscal, personnel, and other administrative aspects of the Intergovernmental Committee for European Migration and the Office of the U.N. High Commissioner for Refugees.

b. Reviewing estimates for U.S. contributions to the Intergovernmental Committee for European Migration; formulating or coordinating the formulation of U.S. payment policy and making contributions to that Committee in accordance with such policy; and initiating the allocation of funds from the Foreign Operations Administration for contributions to the Committee.

2. Designation of Adviser on Refugees and Displaced Persons

Mr. George L. Warren continues as the Adviser on Refugees and Displaced Persons.

PUBLICATIONS

Recent Releases

For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

The Department of State Biographic Register, May 1954. Pub. 5553. Department and Foreign Service Series 37. 549 pp. \$1.75.

This publication contains biographies of certain personnel in the Department of State, U. S. Foreign Service, U. S. Information Agency, and Foreign Operations Administration.

The Korean Problem at the Geneva Conference, April 26 June 15, 1954. Pub. 5609. International Organization and Conference Series II (Far Eastern), 4. 193 pp. 60¢.

A report, with list of participants, schedule of meetings and documents, on discussions of Korea at the Geneva Conference.

List of International Conferences and Meetings, October 1, 1954. Pub. 5603. 13 pp. 15¢.

This list includes annotations regarding the background agenda, and expected participation in certain conferences scheduled to convene during the last quarter of 1954.

A Report of the Fourth National Conference of the U. S. National Commission for UNESCO. Pub. 5598. International Organization and Conference Series I (UNESCO), 23. 75 pp. Limited distribution.

A report of the Commission and its affiliated organizations as authorized by law, and its discussion of "America's Stake in International Cooperation," at the general conference held in Minnesota in 1953.

Telecommunications, New International Frequency List for Various Services in Bands Between 14 kc/s and 2500 kc/s. TIAS 2753. Pub. 5356. 362 pp. \$1.

Agreement and Final Protocol between the United States and Other Governments—Signed at Geneva Dec. 3, 1952. Entered into force Mar. 1, 1952.

Passport Visa Fees. TIAS 2761. Pub. 5336. 6 pp. 5¢.

Agreement between the United States and Pakistan, revising agreement of Oct. 10 and 18, 1949. Exchanges of notes—Dated at Karachi Aug. 16, Oct. 11, Nov. 19, Dec. 16 and 29, 1952, Mar. 19, and Apr. 8, 1953. Entered into force Apr. 8, 1953.

Fisheries Mission to El Salvador. TIAS 2763. Pub. 5348. 3 pp. 5¢.

Agreement between the United States and El Salvador extending agreement of July 19, 1951, as extended. Exchange of notes—Signed at San Salvador Aug. 18, and 28, 1953. Entered into force Aug. 28, 1953, operative retroactively Aug. 19, 1953.

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Press releases issued prior to November 8 which appear in this issue of the BULLETIN are Nos. 600 of October 21, 612 of October 27, 613 of October 28, 622 of November 1, 624 of November 3, and 625 of November 4.

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†631	11/8	Protest to U.S.S.R. in plane case.
*632	11/9	Patterson to attend São Paulo fair.
*633	11/10	Trade talks with Cuba.
*634	11/9	Dulles: press conference transcript.
†635	11/10	Delegation to ILO meeting.
*636	11/10	Economic talks with Yugoslavia.
637	11/10	Waugh: GATT conference.
†638	11/10	Patents agreement with Germany.
†639	11/11	Delegation to UNESCO conference.
640	11/12	Tariff negotiations involving Japan.
*641	11/12	Educational exchange.
†642	11/12	Shipping in Antarctica.
643	11/13	Surplus commodities for Japan.

*Not printed.

†Held for a later issue of the BULLETIN.



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*London and Paris Agreements
September–October 1954*

Publication 5659

45 cents

Secretary of State John Foster Dulles in his report of October 25, 1954, described the situation on European unity as of the beginning of September as follows: "At the beginning of September, things looked pretty dark. The plan for the European Defense Community had collapsed, and it looked as though the whole North Atlantic Treaty structure, its whole system, might be undermined and even swept away by political indecisions and uncertainties." Then came the Nine-Power Conference at London, September 28 to October 3, 1954, and the Conferences at Paris, October 20 to October 23, 1954.

The historic achievement of these Conferences is recorded in this 128-page publication, which includes the various agreed documents, together with the transcript of the report made by Secretary Dulles to President Eisenhower, the Cabinet, and the American people on October 25, 1954.

Please send me _____ copies of *London and Paris Agreements—September–October 1954*.

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BUREAU OF INFORMATION

The Department of State

bulletin

Vol. XXXI, No. 805
November 29, 1954



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The Department of State bulletin

VOL. XXXI, No. 805 • PUBLICATION 5675

November 29, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

The Defense of Asia

by Deputy Under Secretary Murphy¹

Since the days of the clipper ships, Americans engaged in foreign trade have always had a tremendous interest in, and close association with, the Far East. So I am happy over this opportunity to discuss with the members of the National Foreign Trade Council some of the problems which our country faces in that area today.

In a brief survey there are three aspects which demand our most urgent attention at the present time.

First—Communist China's part in the increasing pressures on free Asian nations.

Second—Factors which make free Asian nations particularly vulnerable to such pressures.

Third—What the free Asian nations and their Western friends are doing—and can do—to render these pressures ineffective.

It will be helpful, I believe, to begin with an appraisal of the continuing effects upon surrounding Asian countries of the Communist conquest of China. For this conquest of China has involved far more than the disappearance behind the bamboo curtain of a population which the Communists estimate at over 580 millions. It has brought other dangers than those inherent in this vast increase of manpower that now can be ruthlessly expended in Communist aggression against the free countries of Asia.

China

Among the most significant and menacing results for the free Asian countries is the fact that

¹Address made before the National Foreign Trade Council at New York, N.Y., on Nov. 16 (press release 644 dated Nov. 15).

the fall of China has provided the Communist movements throughout Asia, for the first time, with a firm Asian base.

Prior to World War II, Asian Communist groups outside of China were isolated and fragmented and were sponsored and supported in different ways. The Communist groups in Indonesia and India, and to a certain extent in Indochina, had their inception through the proselytizing efforts of mother parties in Europe. Those in Japan and Korea were founded directly by the Comintern. Those in Malaya, Thailand, and the Philippines were founded or largely supported from China or from the Chinese colonies abroad. The Communists in Burma were divided into various competing factions which grew out of resistance coalitions developed during the war and had little firm direction from any quarter.

Because the Kremlin was too remote to provide effective coordination and direction, the leadership of these local Far Eastern parties often struck out on their own tangents in order to insure the survival of local Communist movements. It was natural, therefore, that the Asian Communist movement was marked by factionalism, dissidence, and the problem of leadership. The parties had to rely on their own meager resources and sense of dedicated fanaticism, for significant external aid was not available. They were therefore capable of only limited political and subversive objectives of sabotage and harassment against reasonably stable administrative authority.

Into this chaotic situation the Chinese Communists have moved to provide, for the first time, firm regional direction and increased control over the lesser Communist parties in Asia. Their new and readily accessible Asian base provides objec-

tives, techniques, discipline, and the aggressive intention to translate Communist potentialities into actualities.

This Communist consolidation of a tremendous Asian base on the Chinese mainland has altered the power and influence of communism in each country of the region. No longer can each of the non-Communist East Asian countries easily manage its own problem of Communist subversion and bring its disloyal and subversive forces under control or to extinction. That was tragically demonstrated in Indochina. Each of the free Asian countries is now vulnerable in some degree to the expansion of Communist power and influence.

Moreover, just as Russia provided a protecting flank to the Communist groups operating in China, so Communist China can now provide a protecting flank to Communist groups operating in Burma, Thailand, Viet-Nam, Laos, and Cambodia. And, in addition, since all of the free Asian countries are directly touched by Communist China in one or more ways—by common boundaries, the flow of trade, cultural affinities, the presence of overseas Chinese populations totaling about 10 millions—there are many channels through which the Communist influence can now be spread.

The tactics used by the Chinese Communists in assaulting free Asian countries are infinitely varied, ranging from direct Chinese Communist armed aggression with Soviet support and direction, as in Korea, to lavish exhibits at foreign fairs and widespread participation in foreign cultural events and sporting matches.

Vulnerabilities

For what reasons are the free Asian countries vulnerable to the Communist pressures which I have just described? There are many reasons, but I should like to single out and discuss briefly two reasons of major importance: first, the attitude of neutralism which prevails in much of the area; and second, the general economic condition of the free Asian countries.

When we speak of neutralism in the Far East, we are using a vague term to cover a variety of mental and emotional attitudes. Neutralism appears to be woven of several strands of political opinion which, while present to a greater extent in some free Asian countries than others, are prev-

alent throughout the entire area. They include (1) a tendency to underestimate the Communist threat; (2) a distrust of the motives of the Western nations; and (3) a fear of involvement in war and fear of offending neighboring Communist regimes, among other things.

Vulnerable as they are to Communist political and military pressures, the free Asian nations are in the opinion of many experienced observers of the situation, even more vulnerable to Communist exploitation of real and alleged grievances of an economic nature—and of the political instability which usually accompanies economic instability. All of these free Asian countries, with the single exception of Japan, are underdeveloped countries with the great bulk of the population earning their meager living at a great cost in effort on a tiny plot of land which they own, or rent, or cultivate for a landowner. Japan itself faces similar problems and, although she is industrially developed, she also suffers because other Asian countries which need her machine products, technical skills, and wide variety of consumer goods are unable to purchase them in sufficient quantities.

As you well know, an underdeveloped country is one in which resources, both material and human, are not being used as fully as modern technology permits. In human terms this means that the inhabitants of such countries in Asia, on an average, have a life expectancy of only about half of that of people of highly developed countries. Their incomes average less than \$200 per year per person—in many countries considerably less than \$100—with all that this implies in terms of hunger, deprivation, and discomfort. There is a shortage of medical services, and health conditions are below standard. Their food supply is about a third less than that of developed countries. The opportunity to attend school is limited to a small minority. Only one person in four knows how to read and write. The supply of clothing and household furnishings is about one-fourth that of persons in developed countries.

Stated most simply, the basic economic problem of these areas is that per capita income is too low to enable the average Asian to acquire the minimum goods essential to sustain life and leave adequate savings. But such savings are essential to generate sufficient capital for investment purposes if economic progress is to be achieved.

This is true whether it is merely a question of the individual farmer buying fertilizer to increase his crop, or an enterpriser pooling the savings of many farmers and other workers to build a fertilizer plant. The problem is further complicated by the fact that underdeveloped countries have rapidly increasing populations.

Therefore, the growing of food and raw-material requirements for the economic development in the Far East will have to be obtained by the more effective utilization of existing physical resources. Better technology can assist importantly, but this will require larger investments in capital per worker. This means that a substantial amount of savings and investment is constantly necessary just in order to prevent a deterioration of the economy and a decrease in the standard of living. An even higher rate of saving and investment is necessary if the economy is to expand and improve.

But South and Southeast Asian economies generally lack an adequate number of the type of businessmen who are capable of mobilizing savings for use in innovating commercial and industrial enterprises and agrarian improvements essential to economic progress. Governments in this region have sought in many ways to substitute for the shortcomings in the private enterprise sector, but the results of both private and governmental endeavor have not generally been adequate to provide higher living standards, or even, in some cases, to prevent stagnation or to arrest decline.

The resulting poverty, hunger, disease, and lack of opportunity for personal self-development are not new problems, for they have been characteristic for centuries of the large underdeveloped parts of the Far East. What makes this so important today is that it has become a source of active political unrest.

The Communists seek to exploit these economic difficulties and gain converts by propaganda which paints a glowing picture of economic achievement in China and the U. S. S. R. Communist propaganda used in the underdeveloped countries also concentrates upon the agitation of economic grievances, particularly those of agrarian workers against landlords and government. The Chinese Communists are especially expert at this, for the skillful manipulation of agrarian grievances and the use of rural military bases were weapons which they used to bring about the fall of China.

Action

Now what do these factors favoring communism in the Far East add up to? Will the Communists succeed in disrupting and dividing more countries as they have done in Korea and in Indochina? However optimistic we may be, there is a long-run danger that, if these various Communist pressures are allowed to make headway, if nothing is done to ameliorate the causes of widespread local complaint and dissatisfaction, some of the non-Communist governments may decline in strength and cohesion.

The free Asian nations have already taken substantial internal measures, with varying degrees of success, to halt or curb Communist subversive action within their borders and to do what could be done to curtail the effectiveness of Communist pressures from outside sources.

There are many other things that have already been done. The United States, as you know, has mutual security pacts with Japan, Korea, and the Philippines and has pledged that its forces will defend Formosa and the Pescadores. The United States has been providing economic aid or military assistance or both to many of the free Asian countries. The Export-Import Bank and the International Bank for Reconstruction and Development have made significant contributions to economic development and trade expansion in the area.

Another very important step already taken to improve the economic stability of the area is embodied in the Colombo Plan. The Colombo Plan was conceived initially in 1950 as an organization to focus attention on the economic development problems of the countries of South and Southeast Asia. It was designed to provide a framework within which international cooperative efforts can be made to promote sound and enduring progress in the area. To its original members—Great Britain, Canada, Australia, New Zealand, India, Pakistan, Ceylon, Malaya, and British Borneo—other countries have now been added. The United States became a full member in 1951, and Burma, Nepal, Cambodia, Laos, Vietnam, Indonesia, Japan, Thailand, and the Philippines have also joined, the last three only this year.

The Colombo Plan is actually a committee—a consultative committee for economic development in South and Southeast Asia. To this committee, important nations of the area discuss and analyze

the preparation and implementation of their individual plans for economic development, including financial requirements for carrying out the plans. Though there is a loose line of distinction between so-called contributing countries and recipient countries, all of the members are gradually becoming contributing countries to one another.

The United States and other free-world countries are also taking steps in the realm of international trade which should, if successful, serve to stabilize the economies of free Asian nations, including Japan.

On March 30, 1954, in carrying out the recommendation contained in the Randall Commission report that the trade policies of our country be liberalized, the President sent a message to Congress recommending a gradual and selective revision of our tariffs, through the tested method of negotiations with other nations. He expressed the belief that the United States should offer needed leadership in the reduction of trade and payments barriers that limit markets for our goods throughout the world.

In the same message the President said, "I may also recommend special provisions for negotiation with Japan in view of the economic problems of that country."

The economic situation in Japan, which was so ably discussed by Assistant Secretary of Commerce Anderson,² is quite different from that in the underdeveloped Asian countries, and that is why the President made this special reference to Japan in his message. Virtually devoid of exportable material resources and dependent upon imports for 20 percent of its food—and most of its industrial raw materials—Japan must trade to live. Notwithstanding a high level of United States expenditures, Japan last year incurred a deficit in its foreign payments of \$200 million. The critical problem revolves about the fact that Japan must somehow find markets to increase its exports by at least 75 percent to compensate for the further decline in our expenditures as United States forces are withdrawn from the area.

There is no single answer to the Japanese problem. In the long run, the economic development

² For the text of Mr. Anderson's address, entitled "Some Basic Factors in United States Foreign Economic Position," see Department of Commerce press release dated Nov. 16.

of free Asia holds out the most important possibilities. The United States has been and is continuing to assist the free nations of Asia in this endeavor. Japan's trade relationships with the United States are also of vital importance.

The United States has been supplying about one-third of Japan's imports but buying from Japan only one-third as much as it sells to Japan. A few days ago, we announced our intention to enter into multilateral negotiations under the General Agreement on Tariffs and Trade with the primary purpose of expanding Japan's trading opportunities with the United States and other countries.³ The United States is taking the lead in this matter in recognition not only of the importance of trade between the United States and Japan but also of the necessity of United States leadership if other countries are to do their share in helping Japan to increase its trade. The enlargement of Japanese trade opportunities within the free world is of special importance also as a means of reducing undue Japanese reliance upon Communist Chinese markets with all the risks both economic and political, which might follow from such reliance. By fostering economic stability in Japan we can help to retain on the free world's side the great industrial strength and technical skills of Japan which are so vital to the defense of Asia.

Still another development of momentous significance exists in the Manila Pact and Pacific Charter, which were signed at Manila on September 8, 1954, by eight free nations.⁴ The accomplishments at Manila did much to overcome various misunderstandings on the part of free Asian nations and provided vital assurances that the Communist threat to the area, either through armed aggression or subversion, would be effectively met. In the Pacific Charter, the signatories pledged themselves to uphold the principle of equal rights and self-determination of peoples, to strive earnestly by every peaceful means to promote self-government, and to secure the independence of countries whose people desire it and are able to undertake its responsibilities. Furthermore, it held out the prospect of collective action to promote higher standards of living for Asian nations and thus remove a major source of dissidence and unrest.

³ BULLETIN of Nov. 22, 1954, p. 767.

⁴ *Ibid.*, Sept. 20, 1954, p. 393.

There now remains the very important task of deciding in more detail how the Manila Pact and the charter will be implemented, should need arise, to assure cessation of aggression and subversion, and the important task of deciding how the crucial problem of economic development of the underdeveloped areas of free Asia can satisfactorily be met. The first of these problems is under study by the military experts and political leaders of the various nations concerned, including our own. The second—economic development—relates to much that these countries can themselves do to improve their economic position, such as establishing sound budget and fiscal policies, encouraging the owners of such available wealth and savings as do exist to invest them constructively, increasing technical skills and knowledge, increasing agricultural efficiency and promoting greater diversity of agriculture, and providing for more adequate electric power and transportation.

Yet, the most strenuous efforts along these lines will not adequately solve the basic problem of these countries, which is their inability to generate domestically the steady and increasing flow of investment capital necessary to provide for both a rapidly increasing population and the higher standards of living that their populations desire. Only such a flow of investment capital from the outside can provide the necessary stimulant to strengthen these economies. Unfortunately, the movement of foreign private investment capital to Asia since the war has been little more than a trickle compared with the area needs—in recent years less than \$25 million annually, slightly over half of which has been United States private investment. I have already mentioned several types of external government-to-government aid extended to these countries. This type of external aid, by effective utilization, has enabled countries in the area to initiate necessary development programs although not as rapidly as we or they believe necessary to improve moderately the living standards of the area.

When we stop to analyze the current situation in the Far East, I think we find from the American point of view a mixture of strength and weakness. In terms of surface naval strength and naval air force, the American position is predominant, but we are not so certain when it comes to naval strength below the surface. Here we are keenly aware of the Soviet buildup in submarine power.

In terms of land forces, the colossal manpower reservoir available to our adversaries reads in terms of hundreds of divisions compared with our present free-world strength of comparatively few divisions. In terms of straight airpower the situation is perhaps more nearly a matched one.

Role of Business Community

But I did not come here to discuss the military aspects of the Far East problem, even though the impact of military strength on our political and economic policies is of great importance. I personally feel that we are now in a phase where Communist efforts are directed into the classical fields of subversion and penetration by the various techniques which have become painfully familiar. And it is in that field I believe that the American business community and those of you especially who are engaged in foreign trade can be of great utility in the furtherance of American policy objectives. It has become obvious through the years that the Communist technique of indirect operation and projection of their efforts to dominate world areas has shown a reliance on indirection, using front organizations and unofficial representatives in various guises. Their economic and trade policies are weighted with political overtones. Their use of the trade channel in promoting their policies is notorious.

I hope I am wrong in thinking that some of the members of our business community have an easy-going belief that the projection of government policy is a matter restricted to official representatives. Perhaps if we took a harder look at this question we might conclude that it is the responsibility of every citizen. That is why an understanding of our policies and objectives by the business community is of such immediate importance.

Those of you in the business community who are in close touch with the Far East are in a unique position to promote understanding on two sides of the water. At home you can help us all to bear in mind the vital importance of expanding trade and establishing closer commercial links with this area. Abroad, you can seek to promote awareness of the fact that we are taking positive steps to aid in overcoming the problems the free-world nations of the Far East face, formidable as these problems may be. I would like to appeal to your membership to take an affirmative interest, as many of you do, in accomplishing these ends.

Visit of Pierre Mendès-France

TEXT OF U. S.-FRENCH COMMUNIQUE

Press release 662 dated November 20

1. Following his talk with the President of the United States [on November 18], the Prime Minister of France met with the Secretary of State on Thursday, November 18, Friday, November 19, and Saturday, November 20. Officials of the two Governments were present. The conversations took place in a spirit of cooperation and mutual confidence and have brought out once again the fundamental unity of outlook of the two countries, and their unshakeable faith and determination in the cause of peace and freedom, which are shared by all other like-minded governments and by all the peoples of the world.

2. With regard to Europe, it was agreed that the early ratification of the Paris agreements by all countries concerned will strengthen the unity of the Western World. It should open the way for consideration of means of improving international relations, in accordance with the spirit and the goals of the Charter of the United Nations, both Governments being ready to enter, not into improvised debates intended mainly for propaganda, but into adequately prepared negotiations, carried on in good faith.

3. The Prime Minister reviewed hopefully the prospects for establishing increasingly fruitful relations between France and Germany as a basic contribution to the creation of a united and peaceful Europe, to which the United States also attaches great importance.

4. The understandings reached with regard to Cambodia, Laos and Viet-Nam in the talks of September 27-29¹ between representatives of the Governments of France and the United States in Washington were reaffirmed. Agreement was reached on coordinated procedures and periodic reviews required to carry out the policies of France and the United States in that area designed to assist the Associated States to maintain their freedom and independence.

The Chiefs of the diplomatic missions of Cambodia, Laos and Viet-Nam in Washington have been informed of the exchange of views relating to their countries.

¹ BULLETIN of Oct. 11, 1954, p. 534.

5. The Prime Minister reviewed the recent events in North Africa which created obstacles to the policy inaugurated by the French Government. He nevertheless expressed the hope that proposals already made would lead to a prompt solution. He stressed that external influences have affected the situation in North Africa and compromised the security of this region. The Secretary of State declared that he would give serious consideration to the matter.

ARRIVAL OF FRENCH PRIME MINISTER

Press release 653 dated November 17

Statement of Welcome by Vice President Nixon²

It is a very great privilege to extend on behalf of President Eisenhower a very warm welcome to you and to Mme. Mendès-France on the occasion of your visit to Washington.

We know you are no stranger to the United States. We recall that you were here in connection with the International Monetary Fund. But you come now in a different capacity, as the head of the Government of a nation that has been friend and ally of the United States of America since the time we became a country. As you are well aware, our two peoples and two countries have a tradition of friendship between them which has existed over a period of 175 years, and those bonds of friendship, I know, will continue to grow stronger through the years ahead. May I say that, since you assumed the present post that you have taken in your country, we in the United States have watched with great interest the work that you have done, the energy and capacity you have shown in dealing with the difficult problems with which you have been confronted. We, of course, have been particularly interested in the accords which were reached at the Paris Conference a few days ago, and we believe that the work that was done there by you, by the other people who represented our friends in the European community, by our own Secretary of State, has done a tremendous amount of good in creating a sound base for future peace among the nations and among the freedom-loving peoples of the world.

May I say, finally, that we know that your visit

² Made at the Washington National Airport on Nov. 17.

here will be helpful. We know that the meetings that you will have with President Eisenhower, Secretary of State Dulles, with the other leaders of our country will be helpful in developing mutual plans for the future of our two countries, plans which will serve the cause of peace and friendship in the years ahead. And may we also say that, during the time that you are so busy during this trip, you will have the opportunity to see our Capital City and enjoy the very warm friendship that will be extended to you and to Mme. Mendès-France by the American people.

Response by the Prime Minister

In coming to Washington today at the invitation of your great President I am gratifying a desire that I have cherished for a long time. As Mr. Vice President said, I have spent many pleasant hours in your city in the past where I have a great number of warm friends, and both my wife and myself are happy to be here again.

In the next days I am looking forward to an exchange of views with your President. I shall also resume the talks with the Secretary of State, Mr. Foster Dulles, which we have held so fruitfully during the last few months during a series of meetings terminating in the London and Paris Agreements. I come to America in a spirit of optimism. I feel that France, and indeed the whole free world, is making steady progress on the road to peace. I am confident that, in concert with your great country and in concert with other allies, we can assure the safety and the development of our common civilization.

I appreciate the welcome shown me here today, and I wish to thank you, Mr. Vice President, for your very kind words. I expect to have an opportunity to talk not only officially but with the American people and with the American press. While I represent my Government in my official talks, I come here also as a French citizen expressing the feelings of friendship and confidence that have bound our peoples together for centuries.

The Significance of the London and Paris Agreements

by James B. Conant

U.S. High Commissioner for Germany¹

These have been months of momentous decisions—decisions which when fully consummated will affect the life of every one of us, of every Berliner, and of every resident of the Soviet Zone. Not much more than 2 months ago, we seemed to be at the brink of what could have easily become a tragedy for the Western World. Our plans for union, indeed our very future, seemed in jeopardy. Yet today our unity appears more assured, our future brighter than ever.

The turn of events is symbolized in the names of three cities: London, Paris, and Washington. In London the foundation was laid for a new union, in Paris we erected the structure, and in Washington we celebrated, as you might say, the *Richtfest*. A number of important constitutional

and technical steps will still have to be taken before the building is completed and inhabitable. But there can no longer be any doubt that we are on the way—and on the right way at that.

I was a witness to all three events. Those of us who took part in those critical sessions in London and Paris knew, as we might now state in retrospect, that the fate of the free world hung in the balance. I was deeply impressed by the foresight of the European leaders, by their sense of proportion, and by their resolve to bring the meetings to a successful conclusion. I shall never forget the historical moment when Britain's Foreign Minister Sir Anthony Eden announced the decision of Her Majesty's Government to enter the union of the continental countries.²

¹ Address made over Radio Station RIAS at Berlin on Nov. 9 (Hicoe press release).

² BULLETIN of Oct. 11, 1954, p. 525.

Looking back at these fateful days, I can only repeat the words of Secretary Dulles upon his return from London: "The fact that all of this was done . . . shows the vitality of the Atlantic community."

Now what does all of this add up to?

In my opinion, the agreements reached at London and Paris signify one of the greatest triumphs that the West has yet achieved in the face of a stubborn and vicious effort by a reckless opponent to deny this very success to the nations of the free world. It also constitutes one of the most telling defeats that the Soviet Union has suffered in the cold war. We have delivered a severe and, as I hope, a fatal blow to the Soviet objective of sowing distrust among the Western allies and of preventing them from closing their ranks. We have, beyond this, proved the fallacy and the futility of a policy which aims at conquest through division and corruption and which attempts to perpetuate the unnatural state of weakness by keeping mature and independent peoples forever disunited in open disregard of their national interests. Once this Soviet objective has been fully removed, the structure of a vital part of Soviet strategy may well become unhinged. In any event, when the Western European Union has become an accomplished fact, it will not only afford added strength to the Western nations but will compel the antagonists of the West to take the new situation respectfully into account when formulating their own plans.

Over the past few years you have heard or even used the reference to the Western "policy of strength." There has been a tendency to define strength as a formidable and ever-expanding arsenal of material and military power and to measure it in terms of sheer quantity. Actually it would be foolish and unrealistic to deny that, in an age of global tension and conflict, the accumulation and increase of the physical means of defense is indispensable to the acquisition of strength. However, there exists another kind of strength, and it is this kind of strength that became manifest at London and Paris. It is the strength that is embedded in the moral fiber of a nation. It encompasses those spiritual qualities which are known as courage, determination, and high purpose, including the will to sacrifice individual preferences to the common weal. Unless it is harnessed to these elements of spiritual and moral strength, physical power is meaningless, in fact may be wasteful and destructive.

But when physical power is united with moral strength and when this power is then made to serve the legitimate purposes of a community, we know that it will not be misused. That is the true meaning of the Paris protocols. The strength achieved through unity will in time afford protection not only to all members of the union but, as Secretary Dulles put it, to other nations as well. Those who denounce this new union either misunderstand or deliberately misrepresent the purpose and the character of the agreements. History will have to disabuse them of the preconceived and misguided notions.

Problem of German Reunification

Now you may well ask, but what about the urgent problem of German reunification? That is the problem which was discussed in great detail at the Washington meeting. As you know, in Washington the President of the United States and Chancellor Adenauer reaffirmed the view that "a reunited Germany in freedom is viewed by us as the legitimate demand of the German people." They agreed that this aim shall be achieved "by peaceful means." They expressed their conviction that there was a "necessity of continued efforts towards this goal." They agreed that "such efforts will be made by the United States and the Federal Republic of Germany together with the Governments of the United Kingdom and France." And they finally stated their firm belief that "the strengthening of free Europe which will result from the recent London and Paris Agreements will aid our efforts to bring freedom and unity to all of the German people."³

This is indeed a message of high hope, which manifests our unshakable belief that right will triumph over might. True enough, it does not contain a time schedule. It would be both irresponsible and unrealistic to raise premature expectations through specific predictions. None of us can tell how soon the Soviet Union will be ready to recognize the justified demands of the German people for unity in freedom. We assume they would be prepared to hold so-called "free elections" on the model of October 17 for all of Germany. But the *Freiheit, die ich meine*—and you as well, I am certain—is not what the Soviets have in mind. It requires gradual and painstaking

³ *Ibid.*, Nov. 8, 1954, p. 681.

ing efforts—and it will take time in coming. We shall have to take one step at a time. At London and Paris we took a decisive one. There is no doubt in my mind that we have come closer toward our common goal. Until the Western nations had achieved a measure of unity, we could hardly expect that Soviet policy would reflect appreciation of our growing strength.

But now that the Western World is on the way to an ever-closer unity, we may hope that the unity created will give birth to even greater unity and that, as a result, the area of freedom will progressively expand, until it will finally encompass all men to whom it is denied today but who will share it with us tomorrow.

In the meantime, my Government in close alliance with the British and French Governments will not relax their efforts to hasten the advent of freedom. We shall carefully explore all honest and realistic proposals for a settlement of the issues still outstanding, above all that of German reunification.

Assistance to Berlin

We shall continue to assist the people of Berlin. The United States, in association with the United Kingdom and France, has recognized the unique importance of Berlin to the Western World in the tripartite declaration first made in 1952 and repeated in a framework under conditions of growing strength at the London meeting in October.⁴ This statement says that "The security and welfare of Berlin and the maintenance of the position of the Three Powers there are regarded by the Three Powers as essential elements of the peace of the free world in the present international situation." There is no area in the world which has been singled out in a statement so strong indicating the protection and support of this Government. Nowhere have words and acts been combined in such an effective way to bring about vigorous reconstruction in spite of all difficulties. This support will continue as long as needed. Thus, the city of Berlin, although an island surrounded by a Communist-dominated territory and although subject to pressures devised by the dictatorial police state, has been able to develop a vig-

⁴*Ibid.*, Oct. 11, 1954, p. 521. For text of a tripartite statement issued at Paris on Oct. 23, see *ibid.*, Nov. 15, 1954, p. 732.

orous and active economic, cultural, and political life.

United States support, taking the form not only of funds amounting to close to a billion dollars over recent years but also of active participation in the development of trade, the stimulation of production, and the improvement of industrial conditions, has brought about a large increase in employment and the doubling of production in less than 3 years. Berlin continues to be a haven for those fleeing oppression. In spite of a large influx of refugees which continues from day to day, Berlin has been able to find homes and employment and to absorb many persons coming from the East.

These accomplishments were made possible by the close cooperation of the brave people of Berlin and the Government of the United States.

May I ask you, in turn, to remain steadfast and patient in the face of all trials and tribulations and not to lose sight of the common aims which unite us across all frontiers and iron curtains. You are and you will remain a part not only of Germany but of the free world. It is your own free will alone that establishes your membership in the community of free nations. Your right to this membership is inalienable. Maintain it for yourselves and your children.

And to you in the East, I say: Keep alive your tried and tested allegiance to the West, just as we shall remain mindful of your fate until the day of reunification in freedom finally arrives.

Soviet Conference Proposal

Press release 648 dated November 16

At his news conference on November 16, Secretary Dulles was asked his views of the latest Soviet note proposing a multination European conference and whether the United States has any intention of accepting the proposal. Mr. Dulles made the following reply:

I would say that the proposal bears on its face evidence that the Soviet Union does not expect it to be accepted because it would be totally impossible, from a purely physical standpoint, for the delegations of the number of nations involved to gather in Paris or Moscow on the 29th of November, which is less than 2 weeks from now. Therefore, as I say, I do not think that the Soviets

themselves expected acceptance, and I do not think we shall surprise them in that respect.

Asked whether, in reality, the Soviet note did not forecast an attempt on the part of the Soviet Union to form an Eastern European Union as a counter to the Western Union, Mr. Dulles said:

The U.S. view has been that there already exists what the Soviets themselves have referred to as a monolithic system, and in fact we believe that such satellite countries as Poland, Czechoslovakia, Hungary, and East Germany are, in fact, already incorporated very solidly into the Soviet-bloc system. No new action that I can think of would make their governments more servile than the governments which the Soviet Union has imposed upon them. It is, of course, always possible to devise a different form. That is a possibility, but, as far as the fact goes—the reality of their being part of the bloc which is infinitely more tied together and militaristic than the Western European countries—as far as that fact is concerned, there is no possibility of doubt about it.

Foreign Policy Review

Press release 647 dated November 16

At his news conference on November 16, Secretary Dulles was asked whether he favored a public review and discussion of foreign policy at this time. Mr. Dulles made the following reply:

I believe that there is no time when it is inadvisable to discuss and talk about foreign policy. In other words, I believe that foreign policy should not only be under constant review within the agencies of the Government, such as the Department of State and the National Security Council, but I believe that the public is generally entitled to know, subject to security requirements, what our views are about the international situation and be satisfied that we have adequate measures to meet it. Therefore, I am never afraid at any time to have a discussion of these matters. I have myself, I think, gone pretty far in talking about foreign policy. I have made frequent radio and television talks. I have these press conferences quite frequently at which I answer your questions about foreign policy. I do not think that there should ever be the impression that there is any blackout of discussion about foreign policy. I do not myself see any immediate emergency

which requires either that review or discussion should be on any different basis from what it normally is.

Asked whether he saw any need for a basic change in direction of our foreign policy, Mr. Dulles said:

I think our foreign policy has taken into account all necessary elements. Now, as I say, if the Communists make basic changes in policy, if their emphasis shifts from one line to another, that often calls for a corresponding shift on our part. It's like any game that you play. In football, if one side shifts to an unbalanced line, the other may have to make a shift to compensate for that. In that respect, foreign policy is flexible in that it takes account of the dispositions and the tactics of those who seek objectives which are incompatible with our own best interests. We don't know yet very clearly just what is behind the Soviet words. In a sense you may say that their soft words involve themselves some change of tactics. But one must look behind the words to see what the deeds are, and I don't perceive as yet any particular change in the actions, the conduct, the deeds of the Soviet Communists and their associates.

Bipartisanship in Foreign Policy

News Conference Statement by Secretary Dulles

Press release 646 dated November 16

There has been a great deal of discussion about bipartisanship in foreign policy. This is a principle to which I am dedicated.

Modern bipartisanship began at a meeting which I had with Secretary Hull 10 years ago. Almost continuously since then, I have practiced it.

I am profoundly convinced that, under the dangerous conditions of our time, our nation cannot be safe unless there is substantial unity on the fundamentals of our foreign policy. That is, of course, President Eisenhower's view, and, under his direction, I have sought to conduct foreign policy with the full knowledge and approval of the responsible representatives of both of our political parties. I am glad, as a Republican, to pay tribute to the Democratic cooperation I have received.

There is close bipartisan cooperation with the Congress. The President, who is constitutionally responsible for foreign policy, has set a notable

precedent in the number and intimacy of foreign affairs consultations between his administration and the congressional leaders of both parties. Tomorrow, another such meeting will be held at the White House.

Since being Secretary of State, I personally have had more than 80 meetings with congressional leaders or congressional committees, participated in by both political parties. This is about twice a week when I have been in Washington and Congress has been in session. I have asked my office to make available a list of these meetings.

I have had many more private consultations on an individual basis and, of course, many other Department officers have met with bipartisan congressional groups. Meeting with bipartisan committees which the Congress itself has established is, of course, the normal method of putting foreign policy matters onto a bipartisan basis.

In the case of important international conferences, there has always been participation, or prior consultation, on a bipartisan basis. We have continued the good practice of having bipartisan delegations to the U.N. General Assembly.

The last Democratic Under Secretary of State, David K. E. Bruce, has been serving as consultant, and advised me with respect to the great problem of European unity. He attended with me the Berlin, London, and Paris Conferences of 1954. He is one of many Democrats on whom I depend in the current conduct of foreign relations.

The foregoing, I think, clearly demonstrates the fidelity of this administration to the principle of bipartisanship in foreign policy. I speak not only for myself but also for the President in saying that we both welcome any procedures which will facilitate the practice of that principle, so as to assure a foreign policy so sound and so solidly based as to win respect at home and abroad.

U.S. and Korea Announce Initialing of Agreed Minute

JOINT STATEMENT

Press release 652 dated November 17

Following is the unofficial text of a joint statement issued at Seoul on November 17 by the United States Embassy and the Government of the Republic of Korea:

November 29, 1954

The Foreign Minister of the Republic of Korea and the American Ambassador to Korea announced the initialing today in Seoul of the agreed minute marking the culmination of talks which originated in Washington between President Rhee and President Eisenhower¹ and were continued by representatives of the two Governments in Washington and Seoul. The agreed minute was initialed by His Excellency Pyun Yang-tai, Foreign Minister, on behalf of the Republic of Korea and Ambassador Ellis O. Briggs on behalf of the United States Government.

The minute sets forth the broad area of agreement between the two Governments on matters of a political, economic, and military nature and reiterates the interest of the two Governments in the achievement of common objectives with respect to Korea. It strengthens the basis for mutually beneficial relations existing between the Korean and American Governments and further cements the friendship of the peoples of the two countries.

The American Government has agreed to an extensive program of economic aid and direct military assistance to Korea during fiscal year 1955. Detailed provision has also been made in the minute for American support of a strengthened Republic of Korea military establishment in accordance with arrangements to be worked out by appropriate military representatives of the two Governments. The United States reaffirms its intention, in the event of an unprovoked attack on the Republic of Korea, to employ, as provided in the United States-Republic of Korea Mutual Defense Treaty, its military power against aggressors. The American Government also expresses its intention, subject to necessary congressional authorization, to press forward with an economic program for the rehabilitation of Korea.

The Republic of Korea Government, for its part, agrees to cooperate with the United States in its efforts to unify Korea, including possible efforts through the United Nations. It also accepts proposed levels and principles for a strengthened Republic of Korea military establishment, consistent with economic stability and within available resources. In this connection, the Republic of Korea agrees to retain its military forces under the operational control of the United Nations Command while that Command continues to have

¹ BULLETIN of July 26, 1954, p. 123, and Aug. 9, 1954, p. 197.

responsibilities for the defense of the Republic of Korea, unless it is agreed otherwise.

In connection with the expanded program of American economic aid, the Republic of Korea agrees to take measures required to make the economic program effective, including the encouragement of private ownership of investment projects, the establishment of new procedures for conversion of dollars at a realistic exchange rate for United States forces, and for pricing of aid goods into the Korean economy at a similar rate in order to make the maximum contribution to the Korean economy. The Republic of Korea also expresses its intention to make a realistic effort to balance its budget and to continue to resist inflation. Both Governments agree that material for the aid program shall be procured wherever in non-Communist countries goods of the required quality can be obtained at the best price, it being an agreed objective that the maximum possible procurement for this purpose would be made in Korea.

This basic agreement between the Korean and American Governments, and the Mutual Defense Treaty which will become effective within the next few days, are important steps toward achieving the common objectives of the United States and the Republic of Korea. They will strengthen the framework of free-world cooperation and contribute to the security and welfare of the free peoples of Asia.

TEXT OF AGREED MINUTE

Press release 660 dated November 19

Following is the text of the Agreed Minute initiated at Seoul on November 17 by Korean Prime Minister Pyun Yang-tai and American Ambassador Ellis O. Briggs, together with appendix A covering the economic program:

Agreed Minute Between the Governments of the United States and the Republic of Korea Based on the Conferences Held Between President Eisenhower and President Rhee and Their Advisers in Washington, July 27-30, 1954, and Subsequent Discussions Between Representatives of the Two Governments

It is in the mutual interest of the United States and the Republic of Korea to continue the close cooperation which has proved mutually beneficial and has played such an important part in the Free World's struggle against Communist aggression and its determination to remain free.

Accordingly,

It is the intention and policy of the Republic of Korea to:

1. Cooperate with the United States in its efforts to unify Korea, including possible efforts through the United Nations to secure this objective;

2. Retain Republic of Korea forces under the operational control of the United Nations Command while that Command has responsibilities for the defense of the Republic of Korea, unless after consultation it is agreed that our mutual and individual interests would best be served by a change;

3. Accept the force levels and principles set forth in Appendix B² which will permit the maintenance of an effective military program consistent with economic stability and within available resources;

4. Continue to encourage private ownership of investment projects;

5. Cooperate in procedures for administration of United States aid funds consistent with United States legislation and the practices applied generally in such programs;

6. Take the necessary measures to make the economic program effective, including those set forth in Appendix A.

Based upon the conditions which the Republic of Korea declares it will create, it is the intention and policy of the United States to:

1. Continue its program of helping to strengthen the Republic of Korea politically, economically and militarily, with programmed economic aid and direct military assistance furnished during Fiscal Year 1955 to aggregate up to \$700 million. This amount would exceed by more than \$100 million the amount of assistance previously contemplated by the United States for Korea in Fiscal Year 1955. Of this total, programmed economic aid, including the CRIK [Civil Relief in Korea] carryover and the United States contribution to UNKRA [United Nations Korean Reconstruction Agency], available for obligation in Fiscal Year 1955 would amount to approximately \$280 million (actual expenditures in Fiscal Year 1955 are estimated at approximately \$250 million);

2. Support a strengthened Republic of Korea military establishment as outlined in Appendix B, including the development of a reserve system, in accordance with arrangements to be worked out by appropriate military representatives of the two Governments.

3. Consult fully with appropriate military representatives of the Republic of Korea in the implementation of the program for support of the Republic of Korea military establishment.

4. In the event of an unprovoked attack upon the Republic of Korea to employ, in accordance with its constitutional processes, its military power against the aggressor;

5. Subject to the necessary Congressional authorizations, continue to press forward with the economic program for the rehabilitation of Korea.

Appendix A: Measures for an Effective Economic Program

The Republic of Korea will undertake the necessary measures to make the economic program effective, including:

² Not printed.

1. with respect to exchange rates, the official rate of the Republic of Korea Government and the counterpart rate being 180 to 1, agreement to procedures as proposed by the United States for the conversion of dollars at a different and realistic exchange rate to cover hwan drawings of United States forces by sale of dollars through the Bank of Korea, and generally to price aid goods into the Korean economy at a similar rate, thereby providing for the maximum contribution to the Korean economy and to the Korean budget from the use of these resources. The operation of existing agreements with respect to hwan drawings by the United States will be suspended so long as the foregoing arrangements work out in practice to the mutual satisfaction of both Governments;

2. agreement that material for the aid program—not furnished from the United States in kind—will be procured wherever in non-Communist countries goods of the required quality can be obtained at the best price (it being the objective to perform the maximum possible procurement in Korea at competitive world prices);

3. provision of adequate information to the appropriate United States representatives concerning Korean plans for the use of their own foreign exchange; and

4. a realistic effort to balance its budget and continue to resist inflation (it will be the objective of both Governments to develop the budget of the Republic of Korea in a manner that will resist inflation).

Attack on U.S. Aircraft by Soviet Planes

U.S. NOTE OF NOVEMBER 7

Press release 631 dated November 8

Ambassador Charles E. Bohlen on November 8 delivered the following note to the Soviet Foreign Ministry:

NOVEMBER 7, 1954

The United States Government has been informed that a United States B-29 type aircraft was shot down over Japanese territory in the Hokkaido area on November 7 by two Soviet MIG-type aircraft.

The United States Government strongly protests this action. It will expect the Soviet Government to make all such moral and material reparations as lies within its power.

The United States Government will communicate further with the Soviet Government when the facts regarding human and material losses are more fully known.

U.S. NOTE OF NOVEMBER 17

Press release 651 dated November 17

The United States Embassy at Moscow on November 17 delivered the following note to the Soviet Foreign Ministry:

The United States Government refers to its note of November 7 to the Soviet Government concerning the shooting down of a U.S. B-29 type aircraft in the Hokkaido area of Japan by two Soviet MIG type aircraft on November 7 (local time) and to the Soviet Government's note of the same date on this subject.

The United States Government rejects as unfounded the account of the incident contained in the Soviet note of November 7. The attack was initiated by Soviet aircraft without warning and without any attempt to signal the pilot of the American aircraft. The United States aircraft did not at any time fire on the Soviet aircraft. As a result of the unwarranted and hostile act of the Soviet aircraft, the United States aircraft was destroyed, crashing near the village of Nokkegun on Hokkaido.

The United States Government again protests this latest incident in a long series of unprovoked Soviet attacks on American aircraft on peaceful missions. In this connection, the United States Government would observe that the Soviet Government has not yet replied to the United States Government's note of September 25, 1954, regarding the destruction of another American B-29 aircraft in approximately the same area and under the same circumstances.¹ That note also reiterated that the United States Government supports the Japanese Government's contention that the Habomai group is an integral part of the national territory of Japan. The United States Government further shares the deep concern of the Japanese Government that the Soviet Government not only continues illegally to occupy Japanese territory in the Habomai Islands but also carries out unprovoked attacks on U.S. aircraft lawfully in this region.

The United States Government requests that appropriate disciplinary measures be taken with regard to those responsible for this unprovoked attack and that all other possible steps be taken to prevent the recurrence of such incidents which

¹ BULLETIN of Oct. 18, 1954, p. 579.

are in flagrant contradiction of recent statements by high Soviet officials that the Soviet Union seeks to abate international tensions. Such action by the Soviets would be in the mutual interest of the Governments of the U.S.S.R. and the United States of America. In the absence of appropriate action by the Government of the U.S.S.R. the United States Government will be impelled to provide the necessary defensive protection for United States aircraft engaging in these legitimate and peaceful missions and full responsibility for any consequences which ensue will devolve upon the Government of the U.S.S.R.

The Soviet Government is also informed that the United States Government reasserts and reserves its rights with reference to the human and material losses incurred as a result of the Soviet action of November 7.

SOVIET NOTE OF NOVEMBER 7

[Unofficial translation]

The Government of the Union of Soviet Socialist Republics considers it necessary to state the following to the Government of the United States of America:

In accordance with established facts, on November 7 of this year at 1:20 p. m. local time (12:41 p. m. Vladivostok time) a four-motored military airplane of the B-29 type with identification marks of the military forces of the U.S. violated the state boundary of the Soviet Union in the region of Tanflyev Island (Kurile Islands) and continued to penetrate into the air space of the U.S.S.R. in the direction of this island.

At the time of its flight over Tanflyev Island the American airplane was met by two Soviet fighters with the purpose of indicating to it that it was within the boundaries of the U.S.S.R. and of proposing that it immediately leave the air space of the Soviet Union. Upon the approach of the Soviet fighters, the American airplane mentioned opened fire on them. In view of this unprovoked action by the American intruder, the Soviet airplanes were forced to open answering fire, after which the American airplane left the air space of the Soviet Union in a southwesterly direction.

The Soviet Government decisively protests to the U.S. Government this gross violation by an American military airplane of the Soviet boundary.

This is a new instance of a violation by American military airplanes of the state boundary of the Soviet Union. The Soviet Government brought the attention of the U.S. Government to similar instances of violation, in particular in its notes of September 5² and 8³ of this year.

The Soviet Government notes with regret that instances of violation of the Soviet boundary by American military

² *Ibid.*, Sept. 13, 1954, p. 365.

³ Not printed.

airplanes which occurred earlier involved losses which were in no way justified, as was indicated in relevant notes of the U.S. Government.

The Soviet Government considers that the taking of measures for the prevention in the future of violations by American airplanes of the Soviet state boundary would be in the interests both of the Soviet Union and of the United States and expects that to this end appropriate instructions will be given by the U.S. Government to the command of the American military air forces.

Purpose of Rio Conference

*Statement by Under Secretary Hoover*¹

I am leaving today for Brazil, where there will be a Meeting of the Ministers of Finance or Economy of the American Republics and where I look forward to renewing many old friendships. This meeting, like the other regular meetings of the Western Hemisphere system, is an example of how our Republics can work together constructively as partners to solve our common problems.

At Rio de Janeiro the representatives of the people of the Americas will discuss international trade and economic development. Some of these problems are complex, yet upon their solution will depend much of the future progress for human welfare on our two continents.

If I may say a personal word, it is with special pleasure that I go to Brazil for this conference. My father first enunciated the Good Neighbor Policy when he visited South America in 1928. I feel confident that this conference will still further cement our relations as good neighbors and will mark a new era in our partnership to improve the social and economic well-being of all of our peoples.

Latvian Independence Day

Statement by Secretary Dulles

Press release 656 dated November 18

On the occasion of the 36th anniversary of the declaration of Latvian independence, I would like to extend to the people of Latvia the best wishes and warmest sympathies of the American people.

During two decades of national independence Latvia gave impressive demonstration of the good

¹ Made at the Washington National Airport on Nov 20 (press release 661).

fruits of her freedom. She won worldwide recognition and respect as an exemplary member of the family of free nations.

We know that the Latvian people retain their unshakable will to be free again. We are convinced they cannot indefinitely be deprived of their right to a government, an economic system, and cultural institutions of their own choosing. In withstanding Soviet oppression, the people of Latvia may rely on the irresistible force of moral principle and upon the united determination of many peoples on both sides of the Iron Curtain to achieve a decent future for the presently enslaved nations of Central and Eastern Europe.

Distant Early Warning Line Authorized by U.S., Canada¹

On September 27, 1954, the Defense Departments of Canada and the United States issued a joint announcement on the progress being made in the development of a comprehensive jointly operated system for warning of the approach of hostile aircraft and for the control of interceptor aircraft.² Four main elements of a warning and control system now appear to be practicable, namely: the main control and warning radar installations in the populated part of Canada (the jointly operated Pinetree network) and in the United States, which are now in operation; a warning line north of the settled areas of Canada (the Mid-Canada line), being built by Canada; a warning line across the most northerly practicable part of North America (the Distant Early Warning line); and portions of the complete warning and control system in Canada to be extended to seaward on both flanks of the continent by the United States.

In the announcement of September 27, it was stated that the Canadian and United States Governments had agreed in principle that there was a need for a distant early warning line across the far northern part of North America and had directed that detailed planning for such a line should be initiated at once.

As a consequence of the progress which has been

¹ Released to the press by the Department of Defense on Nov. 19; released simultaneously by the Canadian Government.

² BULLETIN of Oct. 11, 1954, p. 539.

made since the announcement last September, the two Governments have decided to proceed with the construction of the distant early warning line.

Experience has shown that projects of this nature can be carried out most effectively by vesting responsibility for all phases of the work of construction and installation in a single authority. In the joint statement of September 27, referred to above, it was announced that Canada had undertaken the responsibility for the construction of the Mid-Canada line. In the case of the Distant Early Warning line it has been agreed that, although both Canada and the United States will participate in the project, responsibility for the work of construction and installation should be vested in the United States.

U.S. Participation in Proposed International Finance Corporation

STATEMENT BY HENRY CABOT LODGE, Jr. U.S. REPRESENTATIVE TO THE UNITED NATIONS

U.S./U.N. press release 2018 dated November 11

The announcement made today by the Secretary of the Treasury speaking for the Administration, favoring U.S. participation in a proposed International Finance Corporation, opens up new and constructive possibilities for members of the United Nations and other countries. This new approach to international economic development, if it is approved by the Congress, should make possible a new enterprise which would contribute substantially to the industrial progress of the less developed countries of the world. Such an institution would fill an important gap in the existing machinery devoted to this end.

Many member nations of the United Nations have been seeking channels for securing needed capital for the expansion of their economies. The International Finance Corporation, as envisaged by the Administration's proposal, would be a step forward in filling this need.

The purpose of an International Finance Corporation would be to supply capital to new industries and other enterprises without government guaranties. It would supplement the activities of the International Bank and the Export-Import Bank. Such an agency could stimulate private

investment by both foreign and local capital in enterprises locally controlled and operated.

The precise scope and function of such a new international agency must of course be determined by the participating nations—and at least 30 countries should participate if the idea is to succeed. In the view of the United States a corporation with authorized capital of \$100 million would be able to do big things. With success, the initial funds would grow by attracting new capital from private sources. As an affiliate of the International Bank for Reconstruction and Development, it would benefit by the experience and the expert staff of the bank.

We welcome this initial step taken by the President and the National Advisory Council on International Monetary and Financial Problems. We will listen with interest to the views of other delegations on this project, which can be of great benefit to the peoples of many nations.

TREASURY DEPARTMENT ANNOUNCEMENT OF NOVEMBER 11

The Administration will ask congressional approval for the United States to participate in a proposed International Finance Corporation, which would be organized as an affiliate of the International Bank for Reconstruction and Development.

The purpose of the corporation would be to stimulate private investment in underdeveloped countries by making loans without guaranty of member governments as is now required in loans by the International Bank.

This announcement was made today by Secretary of the Treasury George M. Humphrey as Chairman of the National Advisory Council on International Monetary and Financial Problems. The time for submitting the proposal to the Congress will depend upon discussions with the International Bank and its members.

The corporation would be an intergovernmental body created by agreement open to signature by any member of the International Bank. The corporation's initial capital would be provided by member countries through subscriptions to its stock, but it would be empowered to sell its obligations and its portfolio securities in private capital markets to raise additional funds. The authorized capital of the corporation would be \$100 million. The subscription of each member country would

be in relation to the member's stock in the International Bank. The U.S. subscription would be approximately \$35 million. The charter would not come into effect until \$75 million had been subscribed by a minimum of 30 countries.

The proposed corporation would not directly provide equity financing. It would, however, be empowered to hold securities bearing interest payable only if earned, as well as debentures convertible into stock when purchased from the corporation by private investors. In that way it would operate in the area of venture capital without holding equity rights of control. It would not compete with either the International Bank or the Export-Import Bank.

Secretary Humphrey emphasized that the operations of such a corporation would of necessity have to be experimental and subject to review from time to time. Its success would depend upon its effectiveness in stimulating an increased international movement of private funds, Secretary Humphrey said.

Agreement With Turkey for Procurement of Grain

Press release 645 dated November 16

Assistant Secretary Henry A. Byroade, representing the U.S. Government, and Melih Esenbel, Director General for Turkish Internal Economic Affairs, on November 15 signed an agreement providing for the procurement of about 500,000 tons of wheat and feed grains urgently needed in Turkey to replenish the grain shortages caused by recent crop failures.

Starting immediately, the U.S. Government will, under the provisions of Public Law 480 (titles I and III) and Public Law 665, furnish Turkey with approximately 100,000 tons of wheat in exchange for chrome, an additional 100,000 tons purchased with FOA defense support funds, and 300,000 tons of wheat and feed grains sold by the Commodity Credit Corporation for Turkish lira.

The Turkish lira derived from the purchase of wheat with FOA defense support funds will be used for the Turkish armed forces, and those resultant from Ccc sales will be divided equally to meet U.S. obligations and to be loaned for the promotion of Turkish economic development.

U.S.-Cuban Discussions on Economic Relations

Press release 654 dated November 18

The delegations of the United States and Cuba on November 17 concluded conversations concerning economic and commercial relations between the two countries.¹ The conversations, which began on November 8, were initiated at the request of the Government of Cuba. Upon the conclusion of the conversations, both Governments summarized their views in the following memorandum.

In the course of the meetings held from the 8th to the 17th of November between delegations from the governments of the United States and Cuba, a preliminary study has been made of matters concerning the economic and commercial relations between both countries.

As previously agreed upon by both Governments, the purpose of these discussions was to gather all the necessary facts and to analyze them so that the United States and Cuban Governments might continue their efforts to find ways and means that will permit the economic relations between the two countries to develop in a mutually satisfactory manner. It was not the intention to endeavor to reach at this time definite agreements or solutions for all the matters which were to be discussed.

The Cuban delegation expressed the view in broad terms that a lack of balance exists in the trade relations between the two countries, pointing out that the advantages granted by Cuba give

the United States a dominant position in the Cuban market which is not adequately compensated by the share allotted to Cuba in the United States market, particularly with regard to sugar. The Cuban delegation stressed that Cuba's increase in population and the need to provide employment for its people require the development of new industrial, agricultural and commercial activities to supplement sugar production, which by itself is not sufficient completely to satisfy the needs of the Cuban people.

Stating that Cuba's sugar exports to the United States are the main justification for the concessions granted to American agricultural and industrial products in the Cuban market, and underscoring Cuba's historical role in supplying sugar to the American market, the Cuban Delegation requested that Cuba be granted the right to supply 50% of the sugar consumption requirements of the United States. It also requested that 22% of Cuba's sugar exports to the United States be in direct consumption sugar, as originally established in the sugar legislation of 1934. It further requested that the Cuban share in the United States sugar market be regulated by an agreement which would give stability to the industry and complement the American domestic sugar legislation.

The U.S. Delegation confirmed the recognition by the Cuban Delegation that the Executive Branch has no authorization to commit the U.S. Congress to any course of action. It pointed out that since 1934 the Congress of the United States has enacted comprehensive legislation controlling production of sugar in the United States and the importation of sugar from foreign countries. The Cuban Delegation was assured that its views would be given detailed study by responsible officials of the Executive Branch in the light of the importance to Cuba of its participation in the American sugar market and the difficult situation that Cuba is facing regarding its overall sugar exports. The Cuban Delegation was also assured that Cuba's vital interest in the American market, as well as the substantial interest of the United States in its export trade with Cuba, would be taken fully into account.

The supply of Cuban minerals to the United States, particularly manganese, was the subject of careful study. The Cuban Delegation requested that, in view of the full cooperation given by Cuba to the United States during the war and also Cuba's strategic geographical position, the

¹ The delegates of Cuba were:

Amadeo Lopez Castro, Minister without Portfolio and President, National Development Commission, *chairman*
Arturo M. Manas, President, Cuban Institute of Sugar Stabilization

Joaquin Martinez Saenz, President, National Bank of Cuba

Joaquin Meyer, Ambassador in Charge of Economic Affairs, Ministry of State

Eduardo I. Montoulieu, Former Minister of Finance

The principal United States delegates were:

Henry F. Holland, Assistant Secretary of State for Inter-American Affairs, *chairman*

Samuel W. Anderson, Assistant Secretary of Commerce for International Affairs

Earl L. Butz, Assistant Secretary of Agriculture for Marketing and Foreign Agriculture

Thorsten V. Kalljarvi, Acting Assistant Secretary of State for Economic Affairs

Harold M. Randall, Counselor for Economic Affairs, American Embassy, Habana

United States take the appropriate measures to make possible the continued operation of Cuba's mines, thus preventing unemployment.

The U.S. Delegation recognized the contribution of the Cuban mining industry in World War II and during the Korean emergency. It likewise explained to the Cuban Delegation the operation of the mineral stockpiling program of the United States and the difficulties presented by this program to procurement for stockpiling of certain minerals.

Requests were also made by Cuba to facilitate its tobacco exports to the United States in order to overcome, at least in part, the difficulties which the agricultural and the industrial sectors of the tobacco industry are facing. Measures were also proposed by the Cuban Delegation to seek ways and means of facilitating the imports into the United States of Cuban fruits and vegetables, rum and other products, as well as to increase American tourism to Cuba.

In connection with the need to develop and diversify Cuba's economy, the Cuban Delegation informed the American Delegation that Cuba intends to undertake a technical revision of its Customs tariff. Attention was also paid to the great importance of promoting the investment of American capital in Cuba, and to this end the possibility was discussed of negotiating a convention to solve the problems of double taxation. The different matters concerning the regulation of the employment and the rendering of technical services by American citizens in Cuba in order to promote American investments were also considered within the framework of Cuba's legislation.

For its part, the United States Delegation brought up, among other things, the difficulties attending the operation of the rice agreement between the two countries, the claims of American citizens pending with the Cuban Government and problems arising from the operation of the General Agreement on Tariffs and Trade. The Cuban Delegation reiterated that Cuba will continue to develop its production of rice within the framework of its international obligations and to give preference to imports of rice from the United States at low rates of duty to the extent necessary to satisfy Cuba's import requirements. On the subject of claims the Cuban Delegation expressed the intent of the Cuban Government to arrange for prompt settlement of those claims which have

been adjudicated by the Cuban courts and explained the procedures established by Cuban laws leading to systematic liquidation of other categories of debts of the Cuban Government.

A general understanding was reached with regard to action which may be taken on a number of matters which have affected the trade between the two countries, including those having to do with the problems under the General Agreement on Tariffs and Trade.

Each of the two delegations believes that these discussions, undertaken in an informal and friendly atmosphere, afforded the Governments of the United States and Cuba an opportunity to acquaint each other with its views on measures which might be taken to improve economic and trade relations between the two countries. Both parties have recognized throughout the discussions that many of the questions considered do not admit of easy or prompt solutions, but both have the feeling that a high degree of mutual comprehension has been achieved, pointing the way towards eventual progress in correcting the conditions discussed.

Mexican Payment Under Claims Convention

Press release 659 dated November 19

The Mexican Ambassador to the United States, Don Manuel Tello, on November 19 presented to the Secretary of State the Mexican Government's check for \$2,500,000 United States currency, representing the thirteenth annual installment due the United States under the Claims Convention concluded November 19, 1941. The Secretary of State requested the Ambassador to convey to his Government an expression of this Government's appreciation.

Under the terms of the convention, Mexico agreed to pay the United States \$40 million U. S. currency as the balance due from the Government of Mexico in full settlement of the following claims:

(a) All claims filed by the Governments of the United States of America and of the United Mexican States with the General Claims Commission, established by the two countries pursuant to the convention signed September 8, 1923;

(b) All agrarian claims of nationals of the United States of America against the Govern-

ment of the United Mexican States, which arose subsequent to August 30, 1927, and prior to October 7, 1940, including those referred to in the agreement effected by exchange of notes signed by the Government of the United States of America and the Government of the United Mexican States on November 9 and 12, 1938, respectively; and

(c) All other claims of nationals of either country, which arose subsequent to January 1, 1927, and prior to October 7, 1940, and involving international responsibility of either Government toward the other Government as a consequence of damage to, or loss or destruction of, or wrongful interference with the property of the nationals of either country.

Payments heretofore made amount to \$36 million. With the present payment the balance remaining to be paid amounts to \$1,500,000.

Not included in the convention were claims based upon expropriation of petroleum properties. Payment on those claims was completed in 1947.

No Warships To Be Sent to Antarctica

Press release 642 dated November 12

The Governments of Argentina, Chile, and the United Kingdom have informed the United States that they do not plan to send any warships south of latitude 60 this year.

The U.S. Government informed the other Governments that it does not plan to send any vessels to the Antarctic during the 1954-55 season other than the U.S. Navy ice breaker *Atka* which was announced by the White House on October 2.

The practice of exchanging information on Antarctic plans has grown up in recent years as a means of avoiding any misunderstanding which might affect the four interested Governments.

Import Quota Imposed on Barley and Barley Malt

White House press release dated October 18

WHITE HOUSE ANNOUNCEMENT

The President on October 18 issued a proclamation limiting imports of barley into the United States from all sources to 27,500,000 bushels dur-

ing the period October 1, 1954, to September 30, 1955, inclusive.

The President's action modified the recommendations of the Tariff Commission. In its report¹ the Commission recommended an 8 cents per bushel fee on imports in excess of 22,500,000 bushels. Other modifications are the 1-year period specified in the proclamation and an allocation of the total quota between Canada and all other foreign countries based upon imports during four marketing seasons, 1950-51 to 1953-54.

Concurrent with the President's action the Canadian Government, in an exchange of notes with the U.S. Government, indicated that it will take voluntary action during the period of the proclamation to limit exports to this country of feed barley to 3,500,000 bushels. Other Canadian exports within the Canadian share of the overall quota would consist of other kinds of barley, including malting barley and barley malt.

The President's action was based on the recent unanimous report on barley by the U.S. Tariff Commission. The Commission's investigation was made under Section 22 of the Agricultural Adjustment Act, as amended, which authorizes limitations on imports when imports are interfering with or threaten to interfere with domestic price-support or marketing programs. The proclamation applies to barley, hulled and unhulled, including rolled barley and ground barley, and barley malt.

The Tariff Commission's report resulted from an investigation requested by the President on August 20, 1954.²

NOTES EXCHANGED WITH CANADA ON OCTOBER 18

Text of Canadian Note

The Canadian Ambassador has the honor to refer to the recommendation which has been made by the United States Tariff Commission to the President to impose an additional duty of 8 cents per bushel on imports of barley and barley malt in excess of 22.5 million bushels in each year beginning the first of October, 1954 and to the representations already made by the Canadian

¹ Copies of the report may be obtained from the U. S. Tariff Commission, Washington 25, D. C.

² BULLETIN of Sept. 6, 1954, p. 340.

Ambassador to the Department of State with respect to that recommendation.

The Canadian Ambassador understands that the President intends to issue a Proclamation limiting imports of barley and barley malt into the United States to 27.5 million bushels for the year beginning the first of October, 1954. On that understanding Canada as the principal supplier is willing to undertake to limit exports of barley for feeding purposes to the United States during the same period to not more than 3.5 million bushels.

The Canadian Ambassador is therefore instructed to inform the Department of State that the Canadian Wheat Board under the powers conferred on it by the Canadian Wheat Board Act will take steps to insure that not more than 3.5 million bushels of barley purchased for feeding purposes will be exported from Canada to the United States during the year beginning the first of October, 1954.

The Canadian Ambassador wishes to express appreciation for the consideration that has been given by the United States authorities to the Canadian representations on this subject.

Text of U.S. Note

The Secretary of State is pleased to learn from the note dated October 18, 1954, of the Canadian Ambassador that the Canadian Government has decided to limit the export of barley for feeding purposes to the United States during the period beginning October 1, 1954 to September 30, 1955 to not more than 3.5 million bushels.

A copy of the Proclamation limiting imports of barley and barley malt into the United States is attached hereto.

PROCLAMATION 3075 *

WHEREAS, pursuant to section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935, 49 Stat. 773, re-enacted by section 1 of the act of June 3, 1937, 50 Stat. 246, and as amended by section 3 of the act of July 3, 1948, 62 Stat. 1248, section 3 of the act of June 28, 1950, 64 Stat. 261, and section 8 (b) of the act of June 16, 1951, 65 Stat. 72 (7 U. S. C. 624), the Secretary of Agriculture has advised me that he has reason to believe that barley, hulled or unhulled, including rolled barley and ground barley, and barley malt, are being or are practically certain to be imported

* 19 Fed. Reg. 6807.

into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the price-support program undertaken by the Department of Agriculture with respect to barley pursuant to sections 301 and 401 of the Agricultural Act of 1949, as amended, or to reduce substantially the amount of products processed in the United States from domestic barley with respect to which such program of the Department of Agriculture is being undertaken; and

WHEREAS, on August 20, 1954, I caused the United States Tariff Commission to make an investigation under the said section 22 with respect to this matter; and

WHEREAS the said Tariff Commission has made such investigation and has reported to me its findings and recommendations in connection therewith; and

WHEREAS, on the basis of the said investigation and report of the Tariff Commission, I find that barley, hulled and unhulled, including rolled barley and ground barley and barley malt, in the aggregate, are practically certain to be imported into the United States during the period from October 1, 1954, to September 30, 1955, both dates inclusive, under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the said price-support program with respect to barley; and

WHEREAS I find and declare that the imposition of the quantitative limitations hereinafter proclaimed is shown by such investigation of the Tariff Commission to be necessary in order that the entry, or withdrawal from warehouse, for consumption of barley, hulled and unhulled including rolled barley and ground barley, and barley malt will not render or tend to render ineffective, or materially interfere with, the said price-support program:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, acting under and by virtue of the authority vested in me by the said section 22 of the Agricultural Adjustment Act, as amended, do hereby proclaim that the total aggregate quantity of barley, hulled and unhulled, including rolled barley and ground barley, and barley malt entered, or withdrawn from warehouse, for consumption during the period from October 1, 1954, to September 30, 1955, both dates inclusive, shall not exceed 27,500,000 bushels which permissible total quantity I find and declare to be proportionately not less than 50 per centum of the total average aggregate annual quantity of such barley and barley malt entered, or withdrawn from warehouse for consumption during the representative period from July 1, 1948, to June 30, 1953, both dates inclusive; and that of the said permissible total quantity not more than 27,225,000 bushels shall be imported from Canada, and not more than 275,000 bushels shall be imported from other foreign countries.

For the purposes of this proclamation, 48 pounds of barley, hulled or unhulled, including rolled barley or ground barley, shall be considered equal to one bushel and 34 pounds of barley malt shall be considered equal to one bushel.

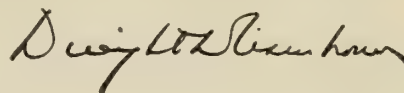
The provisions of this proclamation shall not apply to certified or registered seed barley for use for seedling

and crop-improvement purposes, in bags tagged and sealed by an officially recognized seed-certifying agency of the country of production: Provided, (a) that the individual shipment amounts to 100 bushels (of 48 pounds each) or less, or (b) that the individual shipment amounts to more than 100 bushels (of 48 pounds each) and the written approval of the Secretary of Agriculture or his designated representative is presented at the time of entry, or bond is furnished in a form prescribed by the Commissioner of Customs in an amount equal to the value of the merchandise as set forth in the entry, plus the estimated duty as determined at the time of entry, conditioned upon the production of such written approval within 6 months from the date of entry.

IN WITNESS WHEREOF, I have hereunto set my hand and

caused the seal of the United States of America to be affixed.

DONE at the City of Washington this eighteenth day of October in the year of our Lord nineteen (SEAL) hundred and fifty-four, and of the Independence of the United States of America the one hundred and seventy-ninth.



By the President

JOHN FOSTER DULLES

Secretary of State.

Southeast Asia Collective Defense Treaty and Protocol Transmitted to Senate¹

PRESIDENT'S MESSAGE OF TRANSMITTAL

THE WHITE HOUSE,
November 10, 1954.

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a copy of the Southeast Asia Collective Defense Treaty and the protocol thereto, both signed at Manila on September 8, 1954.²

I transmit also for the information of the Senate a copy of a declaration known as the Pacific Charter, which was drawn up at Manila and signed on that same date.² The charter proclaims the dedication of the signatory governments to the ideals of self-determination, self-government, and independence. It is a declaration of principles and does not require the advice and consent of the Senate.

There is further transmitted for the information of the Senate the report made to me by the Secretary of State regarding the Southeast Asia Collective Defense Treaty and the protocol thereto. I concur in the recommendation of the Secretary that the "unanimous agreement" required by article IV, paragraph 1, for the designation of states

or territories, by article VII for the invitation to states to accede to the treaty, and by article VIII for a change in the treaty area is to be understood in each instance as requiring the advice and consent of the Senate.

The treaty is designed to promote security and peace in Southeast Asia and the Southwestern Pacific by deterring Communist and other aggression in that area. It is a treaty for defense against both open armed attack and internal subversion. Included in the treaty is an understanding on behalf of the United States that the only armed attack in the treaty area which the United States would regard as necessarily dangerous to our peace and security would be a Communist armed attack. The treaty calls for economic cooperation to enable the free countries of this area to gain strength and vigor not only militarily but also socially and economically.

The Southeast Asia Collective Defense Treaty complements our other security treaties in the Pacific and constitutes an important link in the collective security of the free nations of Southeast Asia and the Pacific.

I recommend that the Senate give early and favorable consideration to the treaty and protocol submitted herewith, and advise and consent to the ratification thereof subject to the understanding of the United States contained in the treaty.

DWIGHT D. EISENHOWER.

¹ Reprinted from S. Exec. K, 83d Cong., 2d Sess.

² For text of treaty and protocol and of the Pacific Charter, see BULLETIN of Sept. 20, 1954, p. 393.

REPORT BY SECRETARY DULLES

DEPARTMENT OF STATE,
Washington, November 2, 1954.

THE PRESIDENT,

The White House:

I have the honor to submit to you, with a view to the transmission thereof to the Senate for its advice and consent to ratification, a copy of the Southeast Asia Collective Defense Treaty and the protocol thereto, both signed at Manila September 8, 1954. There is also transmitted, for the information of the Senate, a copy of the Pacific Charter signed and proclaimed at Manila on the same date. The charter is a declaration of principles and does not require the advice and consent of the Senate.

At your request Senator H. Alexander Smith and Senator Michael J. Mansfield of the Senate Foreign Relations Committee accompanied me to the Manila Conference as plenipotentiary delegates and signed, with me, the treaty, the protocol, and the Pacific Charter. I am greatly indebted to the contributions which they made to the successful negotiation of these instruments. This treaty is one in which the Executive and the Senate, through both political parties, cooperated all along the way.

The purpose of the Southeast Asia Collective Defense Treaty is the creation of unity for security and peace in Southeast Asia and the Southwestern Pacific. Eight nations—Australia, France, New Zealand, Pakistan, the Republic of the Philippines, Thailand, the United Kingdom, and the United States—participated in the negotiation as free and equal partners. It is a treaty for collective defense against both open armed attack and internal subversion. Although the United States has no direct territorial interest in Southeast Asia, we have much in common with the people and governments of this area and are united in the face of a common danger that stems from international communism.

As I stated in my address to the Nation on September 15,³ the unity envisaged by the treaty is something that the United States has long sought. In 1951, on behalf of the preceding administration, I negotiated security treaties with Australia and New Zealand, with the Republic of the Philippines, and with Japan. Since then a mutual de-

³ *Ibid.*, Sept. 27, 1954, p. 431.

fense treaty with Korea has also been concluded subject to exchange of instruments of ratification. Each of these treaties has a continuing role in the development of a Pacific security system, and each contemplated the development of a more comprehensive system of regional security in the Pacific area.

Like the earlier treaties, the Manila Pact is in full conformity with the purposes and principles set forth in the Charter of the United Nations and is based on article 51, which recognizes the inherent right of individual or collective self-defense. It is directed against no government, against no nation, and against no peoples.

The treaty consists of a preamble and 11 articles. The preamble sets forth the spirit and purpose of the treaty. It recognizes the sovereign equality of all the parties and reiterates their faith in the Charter of the United Nations and their desire to live in peace with all peoples and all governments. Reaffirming the principle of equal rights and self-determination of peoples, it declares the intention of the parties to strive by every peaceful means to promote self-government and to secure the independence of those countries whose people desire it and are able to undertake its responsibilities. Declaring publicly and formally their sense of unity, the parties give warning to any potential aggressor that they stand together in the area. The preamble expresses also the fundamental purpose of the treaty, i. e. the further coordination of efforts for collective defense for the preservation of peace and security.

Article I contains undertakings similar to those in comparable articles of other security treaties. By its terms the parties reaffirm their solemn obligations under the Charter of the United Nations to settle by peaceful means any international disputes in which they may be involved, and to refrain in their international relations from threats or use of force inconsistent with the purposes of the United Nations. All of the parties to the treaty are members of the United Nations.

Article II incorporates in the treaty the principle of the Vandenberg resolution (S. Res. 23, 80th Cong.), which requires that regional and collective security arrangements joined in by the United States be based on continuous self-help and mutual aid. The parties pledge themselves by such means not only to maintain and develop their individual and collective capacity to resist armed attack but also to prevent and counter su-

versive activities directed from without against their territorial integrity and political stability. The treaty thus recognizes the danger of subversion and indirect aggression, which as we are keenly aware have been principal tools of international communism.

Article III recognizes the importance of free institutions and sound economies in achieving the objectives of peace and security. It is based on the realization that the opportunities of communism will diminish if through economic cooperation the free nations are able to develop their internal stability. The parties agree to cooperate in promoting economic progress and social well-being. This article does not commit the United States to any grant program. However, as I stated in my address of September 15, Congress had the vision to see this year that there might be special needs in Southeast Asia. By the Mutual Security Act, Congress has already provided certain funds which may be used to assist the free governments of Southeast Asia.

The article builds no economic walls against countries or territories not parties to the treaty. While a special relationship ought to prevail as between those countries which together assume serious commitments, the treaty countries are fully aware of the importance from an economic standpoint of such nations as Japan, Indonesia, Burma, Ceylon, India, Formosa, and other areas in the Far East and South Asia area. Article III does not preclude our continued economic cooperation with these and other countries whose economic welfare is deemed important to the stability of the treaty area as well as to our own well-being.

Article IV contains some of the most important provisions of the treaty. It sets forth the measures by which the parties agree to take action against armed aggression and against the danger of subversion and indirect aggression.

Under paragraph 1 of that article each of the parties recognizes that—

aggression by means of armed attack in the treaty area against any of the Parties or against any State or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it will in that event act to meet the common danger in accordance with its constitutional processes.

That language is based upon the Monroe Doctrine principle and follows the pattern of other United States security treaties in the Pacific. Each party

recognizes in article IV, paragraph 1, that the armed attack referred to therein would be dangerous to its own peace and safety.

In the case of the United States, only a Communist armed attack can bring that treaty provision into operation. The understanding of the United States in this respect is embodied in the treaty itself. It reads as follows:

The United States of America in executing the present Treaty does so with the understanding that its recognition of the effect of aggression and armed attack and its agreement with reference thereto in Article IV, paragraph 1, apply only to communist aggression but affirms that in the event of other aggression or armed attack it will consult under the provisions of Article IV, paragraph 2.

This understanding reflects the special position of the United States as the only one of the signatories which does not have any territory in the treaty area. For the other signatories the treaty deals with any and all acts of aggression which might disturb the peace of the area. For the United States, however, it is expressly stipulated that the only armed attack which the United States would regard as necessarily dangerous to our peace and security would be a Communist armed attack. Recognition that Communist armed aggression in Southeast Asia would in fact endanger the peace and security of the United States, and call for counteraction by the United States, is based on the realization that the spread of international communism poses a threat to the United States as it does to the entire free world.

The language of paragraph 1 also provides for designation, by unanimous agreement, of other states or territories an armed attack against which will result in bringing certain of the treaty provisions into operation. I recommend that you inform the Senate that this provision is to be interpreted as requiring the advice and consent of the United States Senate to any agreement making such a designation.

The agreement of each of the parties to act to meet the common danger "in accordance with its constitutional processes" leaves to the judgment of each country the type of action to be taken in the event an armed attack occurs. There is, of course, a wide range of defensive measures which might be appropriate depending upon the circumstances. Any action which the United States might take would, of course, be in accordance with its constitutional processes.

Provision is made in the final sentence of the paragraph for reporting the measures taken against armed aggression to the Security Council of the United Nations in accordance with the obligation of the parties under article 51 of the United Nations Charter.

The danger from subversion and indirect aggression is dealt with in paragraph 2 of article IV, which meets this difficult problem more explicitly than any other security treaty we have made. It provides for immediate consultation by the parties whenever any party believes that the integrity of the treaty area is threatened by other than armed attack. The threat may be to the territorial inviolability or integrity, or to the sovereignty or political independence of any party in the treaty area or any other state or territory to which paragraph 1 of the article may from time to time apply. The paragraph contains no obligation beyond consultation, but the purpose of consultation is to agree on measures to be taken for the common defense. In its understanding with reference to article IV, paragraph 1, the United States affirms that in the event of any aggression or armed attack other than Communist aggression it will observe the consultation provisions of article IV, paragraph 2.

Paragraph 3 affirms the principle of equal rights and self-determination of peoples proclaimed by the treaty signatories in the Pacific Charter. It states the understanding of the parties that, except at the invitation or consent of the government concerned, no action shall be taken on the territory of any state designated under paragraph 1 or on any territory so designated.

To facilitate implementation of the treaty, article V establishes a Council, on which each party is to be represented. The Council will provide for consultation with regard to military and other planning as the changing situation in the treaty area may require.

No material changes in the military planning of the United States will be required by our participation in the Council. At present, United States plans call for maintaining at all times powerful naval and air forces in the Western Pacific capable of striking at any aggressor by means and at places of our choosing. As I explained at the Manila Conference, the responsibilities of the United States are so vast and farflung that we believe we would serve best not by earmarking forces

for particular areas of the Far East but by developing the deterrent of mobile striking power plus strategically placed reserves.⁴ The Conference accepted that viewpoint, recognizing that the deterrent power we thus create can protect many as effectively as it protects one. However, other treaty members may deem it desirable to make their contribution toward strengthening the defense of the area by specific force commitments for that purpose.

Article VI makes clear that the obligations of the parties under the treaty do not affect in any way their obligations under the United Nations Charter. It recognizes the primary responsibility of the United Nations in maintaining international peace and security. Each party declares that it has no existing international obligations in conflict with the treaty and undertakes not to enter into any international engagements in conflict with it.

Article VII takes into account that not all countries whose interests now or in the future may be bound up with the Southeast Asia Collective Defense Treaty are in a position to become parties at this time. It accordingly provides that the parties, by unanimous agreement, may invite any other state in a position to further the objectives of the treaty and to contribute to the security of the area, to accede to the treaty at a later date. I recommend that this article be interpreted as requiring the advice and consent of the Senate for the United States to join in the "unanimous agreement" required for the invitation of new parties.

Article VIII defines the "treaty area" as the general area of Southeast Asia, including the entire territories of the Asian parties, and the general area of the Southwest Pacific not including the Pacific area north of 21 degrees 30 minutes north latitude. Provision is made for amendment of the treaty area by unanimous agreement. On the part of the United States, I recommend that Senate advice and consent be required for such agreement.

Article IX assigns to the Republic of the Philippines the customary duties as depositary of the treaty. Paragraph 2 provides that the treaty shall be ratified and its provisions carried out by the parties in accordance with their respective constitutional processes. The association of the

⁴ *Ibid.*, Sept. 20, 1954, p. 391.

United States in collective arrangements "by constitutional process" was recommended by the Vandenberg resolution and has been the basis for all of our security treaties.

Paragraph 3 of article IX provides that deposit of ratifications by a majority of the signatories shall bring the treaty into force between the states which have ratified it. With respect to each other state it shall come into force on the date of deposit of its ratification.

According to article X the treaty has indefinite duration, but any party may cease to be a party 1 year after its notice of denunciation has been given. It is hoped that the cooperation for peace and security which is the objective of this treaty will be permanent. However, since the conditions in the treaty area are subject to fluctuation, a flexible provision in respect to duration seems desirable.

Article XI is a formal article regarding the authentic language texts of the treaty.

The protocol extends the benefits of articles III and IV to the States of Cambodia and Laos and the free territory under the jurisdiction of the State of Vietnam. The Indochina situation was considered by some of the treaty signatories as creating obstacles to these three countries becoming actual parties to the treaty at the present time. By designating them as states or territories for the purposes of article IV, the protocol assures that armed attack or indirect aggression against Cambodia, Laos, or the territory under Vietnamese jurisdiction will bring into operation the obligations of the parties under that article. It thus throws over those new nations a certain mantle of protection. The protocol also extends to those countries eligibility in respect of the economic measures, including technical assistance, contemplated by article III. It thus recognizes that economic progress and social well-being in these areas are essential to the

economic welfare of the whole area and a vital force in combating the opportunities of communism.

In addition to the treaty and protocol, there was also drawn up and signed at the Manila Conference a declaration known as the Pacific Charter. The charter was the idea of President Magsaysay of the Republic of the Philippines, who emphasized the importance of making clear that the treaty signatories were seeking the welfare of the Asian peoples and were not promoting "colonialism." As I said in my opening address to the Conference, one of communism's most effective weapons is to pretend that the Western Powers are seeking to impose colonialism on the Asian people. I said then that we must make abundantly clear our intention to invigorate independence.

The Pacific Charter proclaims certain basic principles in relation to the right of peoples to self-determination, self-government, and independence. It dedicates all the signatories to uphold these principles for all countries whose people desire it and are able to undertake its responsibilities. In the Pacific Charter the West and the East have joined in a pledge of fellowship that supports and invigorates the basic principles which underlie the Southeast Asia Collective Defense Treaty and protocol.

In view of the importance of the Southeast Asia Collective Defense Treaty and protocol as a deterrent to Communist and other aggression and as a bulwark in the maintenance of peace and security in the Pacific area, it is hoped that the treaty including the understanding of the United States contained therein, together with the protocol, will be given early and favorable consideration by the Senate.

Respectfully submitted,

JOHN FOSTER DULLES.

Weather Service for International Civil Aviation

SIMULTANEOUS SESSION OF THE COMMISSION FOR AERONAUTICAL METEOROLOGY AND THE METEOROLOGY DIVISION OF THE INTERNATIONAL CIVIL AVIATION ORGANIZATION, MONTREAL, JUNE-JULY 1954

by Delbert M. Little

The safe, regular, and efficient operation of a worldwide network of international air routes by air carriers of the United States and other nations necessitates international standardization of procedures for supplying weather information for such operations and periodical consultation between states in regard to their common problems arising from the needs of this continually developing mode of transportation.

Weather information is just as essential for modern high-speed aircraft operating at high levels as it was for the earlier types of aircraft. As new aircraft are developed and introduced into civil operation, the character of the weather service required for the successful commercial operation of civil air transportation changes, but the requirement for service persists and, in fact, creates more difficult problems for national weather services. Coupled with the much greater frequency of flights, which itself creates special problems of meteorological workload at the various international aerodromes, there is naturally a constant demand from operators for more accurate and detailed information which will enable their improved equipment to be utilized with maximum efficiency, e. g. by making landings as a routine under weather conditions which had to be regarded as marginal or worse with earlier equipment. The introduction of jet aircraft, operating at very high speeds, at levels for which meteorologists have very little data imposes stringent requirements in regard to the speed at which information is to be developed and supplied and thus creates further problems for the aviation meteorologist.

An aircraft is unaware of the existence of frontiers. Its operational characteristics remain the same whether it is taking off from a U.S. international aerodrome or from an aerodrome in an "underdeveloped" country thousands of miles away, and it requires the same weather data, supplied in the same form, from both places. The problems associated with the provision of weather service to civil aircraft are therefore truly international in character and can be resolved only through the machinery of international conferences, where the various administrations can pool their experiences. In consultation with the representatives of operators, they can evolve procedures which are internationally agreed as both practicable and adequate to meet aeronautical requirements and can formulate agreed programs for the solution of technical problems so far unresolved.

The first attempt to organize international study of the problems of weather service for international civil aviation and the development of internationally agreed procedures for supplying such service was made by the former International Meteorological Organization, a nongovernmental association of directors of national weather services. This organization established an International Commission for Aeronautical Meteorology, which developed, in 1939, "General Regulations for the Meteorological Protection of International Air Navigation." During World War II, there was considerable development of aviation, par-

ticularly of long distance and transoceanic flying, and, when the International Civil Aviation Organization was provisionally established in 1944, it undertook the revision of the existing regulations of the International Meteorological Organization.

When the Commission for Aeronautical Meteorology resumed activity in 1946 after the cessation of hostilities, it was agreed that the further development of the international regulations should be a joint undertaking of both the ICAO and IMO and that the Meteorological Division of ICAO, the representative body of that organization primarily concerned with aviation meteorological problems, should meet simultaneously with the CAeM of IMO as necessary to discuss such development and associated technical problems. Two such simultaneous sessions were held in 1947 and 1950 and resulted in the promulgation by ICAO and IMO of joint "Specifications for Meteorological Services for International Air Navigation," together with a large number of recommendations addressed to the respective members of the two organizations designed to further the development of improved methods for supplying weather service for international civil aviation.

Formation of WMO

In 1951 the World Meteorological Organization, a specialized agency of the United Nations, replaced the former IMO. This organization established a Commission for Aeronautical Meteorology (CAeM) to continue work on the lines of the former Commission of the IMO. The ICAO and WMO agreed that the machinery of simultaneous sessions of the two constituent bodies should be continued, together with the arrangements for joint promulgation of international standards and recommended practices in regard to the provision of meteorological service and joint development of recommendations to their respective members in regard to aviation meteorological matters.

The first such simultaneous session of the two bodies, constituting the First Session of the CAeM of WMO and the Fourth Session of the Meteorology Division of ICAO, was held in the ICAO headquarters at Montreal from June 15 to July 14, 1954, by invitation of the Council of ICAO. The following states and territories were represented at the conference, in their capacities as members of one or both of the two organizations:

Australia	Ireland
Belgium	Italy
Brazil	Lebanon
British Caribbean Territories	Netherlands
British West African Territories	New Zealand
Burma	Norway
Canada	Portugal
Denmark	Spain
Dominican Republic	Sweden
Egypt	Switzerland
Federal Republic of Germany	Syria
France	Thailand
India	United Kingdom
Iran	United States
	Union of Soviet Socialist Republics

Observers representing the following three non-governmental international organizations participated in the conference:

International Airline Navigators' Council
International Air Transport Association
International Federation of Air Line Pilots' Association

The United States was represented by the following delegation:

D. M. Little, Chairman and delegate
A. H. Nagle, Vice Chairman and delegate
Capt. J. R. Abbott, Alternate delegate
W. L. Halnon, Alternate delegate
Maj. C. D. McCarty, Alternate delegate
L. Harmantas, Alternate delegate
N. E. Johnson, Alternate delegate
J. M. Bowman, Alternate adviser

Although the major portion of the work was done in simultaneous meetings of the two bodies, the CAeM, with the agreement of ICAO, held several separate meetings to deal with matters not on the agenda for the simultaneous meetings. As a result of the discussions in these separate meetings, the Commission arranged for the drafting, or recommended publication by WMO, of manuals on aerodrome meteorological office practice, meteorological observing and reporting duties at aerodromes, and meteorological observing in aircraft and also arranged for the preparation of guidance material on meteorological aircraft reconnaissance observing techniques. The publication of such manuals by the WMO is regarded as an important step toward the raising of the level of meteorological service to international civil aviation. It will make available, in a practical form, to new mete-

orological services, or services still in the course of development, the know-how and experience of larger and more developed services and provide a means of insuring that the international requirements as regards weather service for aviation, specified by the WMO and ICAO, are met in the most effective manner.

The Commission also recommended, for promulgation by the WMO, comprehensive recommended standards for the qualifications and training of meteorological personnel employed in the application of meteorology to aeronautics, again with the object of insuring the provision of an adequate level of aviation information to air carriers of the United States and other nations. It also reviewed the meteorological training specified for aeronautical personnel (pilots, navigators, etc.) and recommended certain improvements in the prescribed curriculum for consideration by ICAO.

The Commission further recommended the provisional international adoption of the code for reporting of sea ice by aircraft provisionally used by U.S. aircraft on sea-ice reconnaissance. It also reviewed the organization of WMO and its possible future work program, from the point of view of the advancement of aviation meteorology, and made a number of suggestions for consideration at the Second Congress of WMO (1955).

Work of the Simultaneous Session

The agenda for the simultaneous session, which was the predominant activity, covered a wide field. The major item, from the organizational aspect, was the revision of the ICAO-IMO "Specifications for Meteorological Services for International Air Navigation" to bring them up-to-date and to put them in a form suitable for promulgation both by ICAO, as an annex to the Convention for International Civil Aviation and "Procedures for Air Navigation Services—Meteorology," and by WMO, as the WMO Technical Regulations for Aviation Meteorology, the object being to arrive at joint texts which would serve both purposes.

The work of the simultaneous session was divided between two committees, each of which was broken up into two subcommittees, as follows:

- Subcommittee A-1: Dealt with the development of the texts referred to above.
- Subcommittee A-2: Reviewed the figure codes and forms of plain-language mes-

sage employed in aeronautical meteorology for communication of meteorological information by radiotelegraphy and radiotelephony and developed requirements for certain new codes and observing practices.

- Subcommittee B-1: Dealt with special technical problems such as the development of methods of providing service for high speed, high-level jet operations, clear air turbulence, ice-accretion on aircraft, pressure-pattern navigation and the use of airborne radar equipment for giving meteorological warnings to aircraft. It also examined the problem of improving observing networks, including the utilization of automatic weather stations, observations of atmospheric electrical discharges, and ground radar.
- Subcommittee B-2: Made a thorough study of the aeronautical requirements for climatological statistics and climatological studies and developed proposed regulations and models for such summaries and studies, discussed the difficult problem of improving the supply of meteorological personnel for employment at international aerodromes, revised the training material used by ICAO technical assistance missions, and dealt with other matters in connection with ICAO publications.

The results of the work of the simultaneous session are contained in 69 recommendations made by the CAeM and the Meteorology Division either to ICAO, to WMO, or to both organizations.

Three of these deal with the review of the IMO-ICAO "Specifications for Meteorological Services for International Air Navigation" and their re-

asting, in part, as a new annex 3 to the Convention on International Civil Aviation Organization and as ICAO "Procedures for Air Navigation Services—Meteorology," this material to be promulgated also by WMO, as part of its Technical Regulations and, in part, as supplementary material promulgated by WMO alone. A complete draft of the annex material was prepared.

Time did not permit of more than the preparation of a draft revision of the remainder of the "Specifications" material; the completion of this draft (and the separation of it into PANS-MET material and material to be promulgated by WMO only) was delegated to the ICAO Secretariat and the President of the Commission for Aeronautical Meteorology. All of the material referred to above will shortly be circulated to contracting states of ICAO and members of the WMO for comment, and a final revision will be made early in 1955 by the ICAO Air Navigation Commission, in consultation with WMO, for submission to top levels in ICAO and WMO for formal approval.

Needs of High-Level Aircraft

In drafting the procedures material referred to above, account was taken of the requirements of the high-speed, high-level aircraft which will be operating on international civil air routes in the near future, but it was considered that additional measures were necessary to insure efficient service to such aircraft. Recommendations were adopted stressing the need for regular upper-air observations up to at least the 100-mb. level and for eventual standardization of levels for which high-level charts should be prepared; outlining the requirements of a high-level forecast code; and calling for the establishment of special high-level forecast centers and for a sufficiently rapid system for communicating essential meteorological information to such aircraft in flight.

Attention was drawn to the need for further study and exchanges of view concerning jet streams and high-level forecasting problems in general. The preparation of a series of upper-wind and temperature charts covering the whole

world was also proposed. The issuance by the WMO of manuals or monographs on the jet stream, automatic weather stations, sferics (atmospheric discharges), mountain waves, and the use of ground-weather radar was recommended. Studies of the methods of determining mean winds over a route and of calculating flight time (ICAO), of the differences between winds computed by different meteorological offices (WMO), and of a variety of other subjects were also proposed.

A number of the recommendations deal with the question of atmospheric turbulence. The necessity for more study and research on turbulence was stressed, and intensification of the cooperative investigation of clear-air, high-level turbulence, initiated in 1951, under which states send all reports of such turbulence encountered by aircraft to the U.S. Weather Bureau for study and investigation, was called for. A special study was made of gust structure, aimed at developing a specification of gusts which will adequately reflect the parameters which influence the controllability of aircraft during landing. The need for improved ice-measuring equipment for aircraft and for further study of the ice-accretion problem was emphasized in other recommendations.

Considerable attention was given to the question of improving meteorological observation networks on a worldwide basis, and guidance was given, in a number of recommendations, to ICAO and WMO regional bodies concerned with this problem, which it is hoped will result in improvement of the present situation.

The variety of subjects covered in these 69 recommendations is illustrative of the continuing close interlocking of meteorology and aviation and of the important role of weather service in facilitation of safety and efficiency in civil air transportation.

• *Mr. Little, author of the above article, is Assistant Chief (Administration) of the Weather Bureau and served as Chairman of the U.S. delegation to the simultaneous session of the Commission for Aeronautical Meteorology of the WMO and the Meteorology Division of ICAO.*

Continuation of Debate on Peaceful Uses of Atomic Energy

Following are the texts of statements made on November 8, 12, and 15 in Committee I (Political and Security) of the U.N. General Assembly by U.S. Representatives Henry Cabot Lodge, Jr., and C. D. Jackson during the debate on the joint draft resolution relating to atomic energy.

STATEMENT BY AMBASSADOR LODGE

U.S. delegation press release 2012 dated November 8

I am obliged to you for your courtesy and for that of the other members whose names are inscribed, and I shall only take 2 minutes. I would like to do so to clear up the points which were raised by the Representative of the Soviet Union this morning.¹ I'd like to do so one by one.

He asked why the present United States proposal, to use his words, "narrows down the volume and scope of economic assistance." Mr. Chairman, the United States proposal does not have that effect. The United States has no policy to reduce technical assistance but, as the President has made clear, to increase it. We are anxious that the abundant electric resources which can be developed as a result of atomic energy be realized as rapidly as possible. We must, however, sound a note of caution against any idea that we shall wake up tomorrow with those abundant resources actually in existence.

The Soviet Representative then spoke about the relationship of the international agency to the General Assembly and the Security Council. When the agency is set up, presumably the agreement between it and the United Nations will work out any relationship that may be desirable or necessary to the General Assembly and the Security

¹ Andrei Vyshinsky spoke on Nov. 8 in reply to Ambassador Lodge's opening statement of Nov. 5; for text of the latter and of the joint draft resolution, see BULLETIN of Nov. 15, 1954, p. 742.

Council. We may perhaps be forgiven for hoping and for expecting that it will not be a relationship in which the Security Council veto paralyzes the agency.

The Soviet Representative referred to my statement that in the near future the international agency would be able to carry out only part of the work which it ultimately will carry out, the part which would be most suitable. My statement on this matter was entirely clear, and in all candor Mr. Chairman, I think it was entirely honest. For example, I outlined the training courses which the United States is developing. It will be impossible for the United Nations agency in its first year to work out as elaborate a program of training as that. If we turned over the full matter of training to the international agency in its first year, it would turn out that we would have no training, either by the agency or by the United States. The same holds true as to other programs which the agency will ultimately carry out. There is so much to be done that it will be a number of years before the agency is able to carry out fully the programs which we visualize for it. We do not expect the agency to develop from birth to adolescence and full maturity in 1 month or even months.

Then, Mr. Chairman, the Soviet Representative asked what measures we propose to take to reduce the potential destructive force of world atomic energy. This is basically a disarmament problem, and we have just unanimously agreed to a procedure for dealing with this problem by the Disarmament Commission.² President Eisenhower made it clear last December that his proposal was not a disarmament proposal. He hoped, however, that this experiment in international cooperation would make it easier to make genuine

² *Ibid.*, Nov. 1, 1954, p. 664, and Nov. 15, 1954, p. 750.

progress in reaching agreement on disarmament. Finally, Mr. Chairman, it is pleasing to hear the Representative of the Soviet Union say that I was wrong in claiming that the Soviet attitude is essentially negative, which are the two words that I used. He can prove me wrong by supporting the pending resolution, and I hope he will do so. He can also prove me wrong by starting to negotiate, and I hope he will do that too.

STATEMENT BY AMBASSADOR LODGE

U.S. delegation press release 2021 dated November 12

I just wish to make a few brief remarks now, because on Monday, [November 15], or whenever the next meeting is, I will, of course, reply in extenso to all the points that have been raised by the Representative of the Soviet Union. What I am about to say now is not to be considered as a definitive reply to him. Moreover, at the next meeting, I will ask Mr. C. D. Jackson of New York, who is a delegate of the United States of America at this General Assembly, also to make some observations, and we will do so completely and I think with clarity and candor.

I would like to say now that the Soviet Representative appears to be concerned about support of his proposed program by the United States Congress and also by resistance from the American businessman. He should really set his mind at rest. When President Eisenhower made his proposal last December, we may be sure he took all these factors into account. As a matter of fact, far from opposition or delay in the Congress, this body at its last session, at the request of President Eisenhower, amended the Atomic Energy Act in order to have the law conform to the proposal which President Eisenhower made. The amendments which the Congress made are what make possible our making available materials and information outside of the country. There is also no evidence of any resistance from the business community in this country.

I am constrained to observe that once again the Soviet Representative has used press articles as sacred evidence of our official policy. It is a thing that he does very often. He did it again today. And once again I must point out that we have a free press in America which speaks for itself and not for the Government.

Let me add also what is obvious, I am sure, to

all of you, that this is not a disarmament proposal. There is no country in the world that is more eager for disarmament than the United States, and we have proved it on every occasion. The disarmament issue was in this Committee a little while ago, and it was referred to the Disarmament Commission, which is the expert body created just for that purpose. And no one can say that this Assembly has been indifferent to the question of disarmament. But to complain that this proposal for the peaceful uses of atomic energy is not a disarmament proposal is just like complaining because the man who grows your food, let us say, out on the farm, isn't also the same man who builds your house. They are two different things.

Also, we have not said that we refused to have any connection with the Security Council. I remember what I did say. I said that I might be forgiven the hope that this matter would not get bogged down in the veto. I did say that. And I still do hope that. Frankly, I take no joy in the veto. If the Soviet Representative gets any delight out of the veto, he is entitled to it. He has it heaped up and overflowing. He has used it 60 times. We have never used it at all. It is the veto that has atrophied and paralyzed the legal power of this organization. It hasn't destroyed the organization because the organization has become an extremely powerful engine for affecting world public opinion. So the organization is very important. It is certainly the Soviet veto that has paralyzed the legal power of it. To say that the veto is the motor of the Security Council—I don't understand Russian, but that's the translation I got over these earphones—that the veto was the motor, if you please—if that is the motor, then the motor is stalled.

Let me repeat what we said at the beginning. We want to do this thing—do it and not get bogged down in vetoes, not get entangled up in parliamentary devices. A great deal of the speech that we have just heard was, I think, what the French call “la poudre aux yeux”—a magnificent display of forensic fireworks but very little substance to them, which I think we shall be able to show after we have examined the speech in detail and responded to it throughout.

The Soviet Representative's remarks about alleged changes in our proposal are particularly remarkable when you consider that his Government has had 10 long months in which to accept the

original wording. Today he is criticizing the new wording because it is not old. When it is old, I suppose he would be criticizing it because it wasn't new. Really, this would be amusing if it were not tragic to hear this very evident plan to delay and delay and delay.

What does the Soviet Union want? What will the Soviet Union accept? What will your Government give that will come anywhere near matching what we have offered? I think those are fair questions.

I am glad, Mr. Chairman, that the Soviet Representative said that he was warmly supporting the development of peaceful uses of atomic energy. I hope this means that he isn't merely supporting their development inside of the Soviet Union. I hope this means that he will vote for the pending resolution and make the benefits of the peaceful uses of atomic energy available to the whole world.

STATEMENT BY C. D. JACKSON

U.S. delegation press release 2022 dated November 15

I greatly appreciate the honor of being able to address this important Committee on this important subject.

I also appreciate the generosity of the Chief of the United States delegation, Ambassador Lodge, for asking me to participate in this historic debate.

Needless to say, I am not a scientist; I am not even an expert in atomic matters. I am just an American who was privileged during 1953 and 1954 to work with the President of the United States, the Secretary of State, and the Chairman of the Atomic Energy Commission on the evolution of United States thinking on the subject of "Atoms for Peace."

Therefore, I would like to address myself today to the particular point in Mr. Vyshinsky's speech of last Friday [November 12] which I feel is within my terms of reference. That is the point in which he assumes he knows what has gone on in the minds of the President of the United States, the Secretary of State, and the Chairman of the Atomic Energy Commission on the subject of "Atoms for Peace."

Last Monday [November 8] Mr. Vyshinsky asked—"Can you tell us why it is that the present United States proposal for the organization of international cooperation in developing peaceful

uses of atomic energy *narrows down* the volume, scope, and form of such cooperation as compared to previous proposals, and especially in relation to the technical and economic assistance to be offered underdeveloped countries?"

On the basis of my special knowledge of this area, I can say that the objectives of the United States today, November 15, are the same as they were on November 5, 1954, when Ambassador Lodge spoke before this Committee; are the same as on September 23, 1954, when Secretary of State Dulles spoke before the General Assembly; are the same as on March 19, 1954, when Secretary Dulles delivered a memorandum to the Soviet Ambassador in Washington; and are the same as on December 8, 1953, when President Eisenhower addressed the Eighth General Assembly.

But to leave the argument at that would simply be pitting my word against Mr. Vyshinsky's, and that is not the basis on which the argument should be left.

So let us take it out of the area of say-so and put it in the area of simple arithmetic.

The first item, the first figure, in the column is what President Eisenhower said last December 8, and I crave your indulgence for a fairly long quotation, because I know that it is important that the President's carefully thought-through statement should be presented in full context. I quote—

I therefore make the following proposals:

The Governments principally involved, to the extent permitted by elementary prudence, to begin now and continue to make joint contributions from their stockpiles of normal uranium and fissionable materials to an International Atomic Energy Agency. We would expect that such an agency would be set up under the aegis of the United Nations. . . .

Undoubtedly initial and early contributions to this plan would be small in quantity. However, the proposal has the great virtue that it can be undertaken without the irritations and mutual suspicions incident to any attempt to set up a completely acceptable system of world-wide inspection and control.

The Atomic Energy Agency could be made responsible for the impounding, storage, and protection of the contributed fissionable and other materials. The ingenuity of our scientists will provide special safe conditions under which such a bank of fissionable material can be made essentially immune to surprise seizure.

The more important responsibility of this Atomic Energy Agency would be to devise methods whereby this fissionable material would be allocated to serve the peaceful pursuits of mankind. Experts would be mobilized to apply atomic energy to the needs of agriculture, medicine, and other peaceful activities. A special purpose would

to provide abundant electrical energy in the power-starved areas of the world. Thus the contributing powers would be dedicating some of their strength to serve the needs rather than the fears of mankind.

The United States would be more than willing—it would be proud to take up with others “principally involved” the development of plans whereby such peaceful use of atomic energy would be expedited.

Of those “principally involved” the Soviet Union must, of course, be one.

I would be prepared to submit to the Congress of the United States, and with every expectation of approval, any such plan that would:

First—encourage world-wide investigation into the most effective peacetime uses of fissionable material, and with the certainty that they had all the material needed for the conduct of all experiments that were appropriate;

Second—begin to diminish the potential destructive power of the world's atomic stockpiles;

Third—allow all peoples of all nations to see that, in this enlightened age, the great powers of the earth, both East and of the West, are interested in human aspirations first, rather than in building up the armaments of war;

Fourth—open up a new channel for peaceful discussion, and initiate at least a new approach to the many difficult problems that must be solved in both private and public conversations, if the world is to shake off the inertia imposed by fear, and is to make positive progress toward peace.

Atomic Energy Act Amended

The second figure in the column was inscribed August 30, 1954, when at the request of President Eisenhower the Congress of the United States amended the Atomic Energy Act in order to permit the United States to share this priceless boon in accordance with the President's proposal.

Then I would like to add the next figure to the column—from the speech by Secretary of State Acheson before the General Assembly of the United Nations on September 23, 1954. And I quote—

The United States remains ready to negotiate with the Soviet Union. But we shall no longer suspend our efforts to establish an international atomic agency.

The United States is determined that President Eisenhower's proposal shall not languish until it dies. It will be nurtured and developed. We shall press on in close partnership with those nations which, inspired by the ideals of the United Nations Charter, can make this great new force a tool of the humanitarian and of the statesman, and not merely a fearsome addition to the arsenal of war.

The United States is proposing an agenda item which will enable us to report on our efforts to explore and develop the vast possibilities for the peaceful uses of atomic energy. These efforts have been and will be directed primarily toward the following ends:

(1) The creation of an international agency, whose initial membership will include nations from all regions of the world. It is hoped that such an agency will start its work as early as next year.

(2) The calling of an international scientific conference to consider this whole vast subject, to meet in the spring of 1955, under the auspices of the United Nations.

(3) The opening early next year, in the United States, of a reactor training school where students from abroad may learn the working principles of atomic energy with specific regard to its peacetime uses.

(4) The invitation to a substantial number of medical and surgical experts from abroad to participate in the work of our cancer hospitals—in which atomic energy techniques are among the most hopeful approaches to controlling this menace to mankind.

I would like to make perfectly clear that our planning excludes no nation from participation in this great venture. As our proposals take shape, all nations interested in participating, and willing to take on the responsibilities of membership, will be welcome to join with us in the planning and execution of this program.

I would now like to add another figure to the column—namely, Ambassador Lodge's speech before this Committee on November 5, 1954, in which Ambassador Lodge added to what had been said by the President and by the Secretary of State the following very specific contributions by the United States:

1. The establishment, early in 1955, of a reactor training school, to instruct between 30 and 50 scientists and engineers from overseas in the theory of atomic power and the application of that theory for the production of electrical power.
2. The establishment, in 1955, under the auspices of the United States Atomic Energy Commission, of courses in industrial medicine, industrial hygiene, radiological physics, and the theory and use of radiation instruments.
3. Opening our atomic biology and medical centers in 1955 to foreign students for courses in these subjects.
4. Inviting cancer specialists from all over the world to visit, inspect, study, confer, and advise on the application of atomic energy to the cure of cancer.
5. The establishment in 1955 of special courses for foreign students, under the sponsorship of the United States Atomic Energy Commission, in the vast field of radioisotope tracer techniques in industry, agriculture, and medicine.

6. Offering complete cumulative atomic libraries to requesting nations.
7. Endorsing and supporting in 1955 an international scientific conference on atomic energy, to study and ascertain the fields, areas, and nations where this boon can be of earliest value.
8. The reiteration of the desire of the United States for the creation of an international atomic energy agency under the aegis of the United Nations.

If a line is drawn under this column of figures and the total added, how can any United Nations representative of good will state that the present United States proposal *narrows down* the volume, scope, and form of the United States proposal? Is it not superabundantly clear that each one of these events, far from narrowing the scope of the original proposal, added to and elaborated upon its predecessor?

Change of Method Adopted

There has been a *change* in the proposal—but a change of *method*, not of scope—a change deliberately adopted by the United States and its associates in order to speed up the implementation of the proposal after 10 months of silence from the Soviet Union.

The change is very simple.

The President's plan, presented last December, called for a United Nations agency which would have the responsibility for the *physical custody* and the *protection* of an international pool of fissionable material. And in this connection I would recall one important sentence spoken by President Eisenhower—"Of those 'principally involved', the Soviet Union must, of course, be one." During the past 10 months, the Soviet Union—however "warm" its "approval" of the President's proposal—proved itself unwilling to be the very important "one."

Therefore, the United States, consulting with the other nations willing and eager to participate, realized that the bricks, and steel, and concrete, and real estate, and scientists, and technicians, and instruments, and workers, and guards required to set up and maintain the physical custody of the fissionable material would not only entail a great delay in getting the plan into operation but would also be needlessly expensive to the United Nations. These producing and processing nations do not

feel they need this complicated and expensive machinery, and they can move faster without it.

So instead, the international agency is now proposed as a clearinghouse to receive, study, and supervise the exchange between those who want and those who want to give.

I cannot conceive how this subtracts anything from the grand total enumerated earlier. Actually it adds to the column in terms of time and economy.

I was greatly interested last Friday to hear Mr. Vyshinsky detail for us the contributions of Russian scientists to the discovery and development of atomic power. We would not only be the last to deny the tremendous international scientific contributions in this field, but also I thought that we had made this point extremely clear.

However, in his dissertation, Mr. Vyshinsky failed to mention a Russian scientist for whom the United States not only has a profound scientific respect, but also a scientist whose theories Mr. Vyshinsky has very skillfully proved time and time again. I refer to the great Dr. Pavlov—the man who gave us the conditioned reflex, and proved it with a dog, a bell, and a bowl of food. By the time Dr. Pavlov had perfected his experiment, the bell rang, the dog drooled saliva, but there was no food.

In a very interesting way, Mr. Vyshinsky repeats that famous experiment. He rings his ornamental bell—he raises all his pre-arranged doubts about the United States having "narrowed" its proposal—but there is no Soviet contribution. "Atoms for Peace."

As for my Government, I would ask you to consider the simple arithmetic of what the United States is prepared to offer to the world.

STATEMENT BY AMBASSADOR LODGE

U.S. delegation press release 2023 dated November 15

During last week's valuable debate, some questions occurred. The first, I believe, was raised both by the Representative of the Soviet Union and the Representative of China. It asked whether the pending proposal was narrower than that of the President's of last December 8. This has been dealt with by my colleague Mr. Jackson.

Next, the Soviet Representative made an interesting statement concerning the past and present role of the Soviet Union in connection with

nuclear physics. His survey of the developments of peaceful uses of atomic energy in the Soviet Union seemed to stress Russian accomplishments prior to World War I. But it did point to the successful development of an electric power plant with a capacity of 5,000 kilowatts. We congratulate the Soviet Union on this achievement, although it is a long way from the building of a 5,000-kilowatt pilot plant to the achievement of abundant electrical power through the use of atomic fuel.

The status of Soviet atomic-power technology was described with commendable modesty in an article in the Soviet magazine *Communist* in April of this year, by A. Nesmeyanov, who said that Soviet scientists must strive "to make atomic energy available for extensive utilization in industry and in transport." Then the article continues: "The advancement of atomic energy into wide peaceful practice is undoubtedly a matter of complete epoch."

Without going into the question of how long "complete epoch" is, it can be set down that one of the ways to speed up the epoch of atomic industrial power is to broaden the exchange of information. We therefore express the hope that the Soviet Union will make public as soon as possible the design for its 5,000-kilowatt atomic power plant. We in the United States have published our designs for various power reactors, copies of which the Soviet Union surely already possesses. If the Soviet Union will put out similar publications, as I think General Romulo [of the Philippines] suggested, they will certainly interest us all and will facilitate international cooperation.

The Soviet Representative spoke also of other kinds of atomic progress, notably in the production and use of radioisotopes. It would be interesting to learn what the Soviet program is for transportation of these isotopes for the benefit of other countries.

As to membership in the agency, we still believe that the door should be left open so that all states can assume the responsibilities and secure the benefits of participation. Now we are accused by the Soviet Representative of seeking special privilege and engaging in exploitation. Let me say that the only "special privilege" we claim is the "privilege" of helping as many countries as we can in this field, and the only "exploitation" we have in mind is the "exploitation" of atomic energy for peace.

Agency's Relationship to U.N.

As to the agency's relationship to the United Nations, we have not changed our view that the agency should be under the aegis of the United Nations. As we have indicated in the joint resolution, we contemplate that an appropriate relationship with the United Nations will be worked out once the agency is established. As I said in my opening statement, it would not be practical to spell out the possible relationships at this time until we know better just exactly what the agency will look like when it comes into being. We agree with the Soviet Representative that the resolution to be passed by this Committee should not prejudge the nature of the relationship between the agency and the United Nations. We have not done so in our draft resolution. We agree with him that this is a matter which must be negotiated both among the states which will be forming the agency and between the agency, once it is established, and the United Nations. I shall deal later with the problem of the relationship of the agency to the Security Council and the General Assembly.

Let us remember that here are eight nations who are intending to give up fissionable or raw materials which are exceedingly valuable both for the peacetime development of these nations and for their security. Every member of the legislative bodies of these countries, whether he sit in the Belgian Parliament or in the Canadian Parliament or in the French Assembly or in the Portuguese Government or in the Legislature of the Union of South Africa or in the House of Commons in London or in the United States Congress in Washington—every member of these bodies would be faithless to his trust if he did not scrutinize closely the treaty which will come before him. Many of you in this room have been members of legislative bodies. These are concerns which we understand and respect.

Also, the offer which we are making today is made possible by the amendments to the Atomic Energy Act which was enacted at the last session of Congress. This law broadens what we can do now over what we could have done last year. It was at their last session, for example, that Congress authorized us to share information and materials. Obviously, as a practical matter we must stay within the law.

I said on November 5 that the International Atomic Energy Agency would act as a clearinghouse for requests for allocations of fissionable

materials to projects approved by the agency. The Soviet Representative interpreted my remarks as follows: "If plans or projects for the use of atomic materials to be cleared through the international agency from one state to another in accordance with agreement are made contingent on approval by the international agency, then that means that the international agency will have the right to approve or not approve the plans of states concerned in the use of fissionable materials for peaceful ends." That is not a correct interpretation of our proposal. The agency would concern itself only with fissionable materials specifically earmarked for agency projects by the contributing states. It would have no control over the use of any other fissionable material. Any contributing state would remain free to transfer fissionable materials to another state without securing the consent of the agency.

There are other problems. Many states, for example, will have interests in this organization and sometimes these interests will need to be harmonized. It will be difficult to negotiate and secure agreement upon even a simple organization. The more complicated the organization and the more intricate the negotiations, the longer will be the delay in spreading the benefits of atomic energy. The more we attempt here to fasten a fixed course onto these negotiations, the greater the danger that we shall create unnecessary and even insuperable obstacles in the way of rapid progress. We think that the best way, if not the only way, for us to render a service to the world in this field is to begin by simplifying the organization, by simplifying the negotiations, by concentrating on what is feasible—what is doable—by getting down to work with the least possible delay.

The Soviet Representative renewed his attempt to chain any progress in international cooperation in developing peaceful uses of the atom to concurrent progress in connection with a disarmament program, although he no longer insisted that other states must first agree on an unsafeguarded paper prohibition of the use of atomic weapons before his Government would join the negotiations in the field of peaceful uses.

President Eisenhower, last December, made it clear that, while his proposal was not a disarmament proposal, he recognized that agreement on it might bring peace nearer and thus bring disarmament nearer, because, of course, disarmament and

peace were not one and the same thing. The President hoped that his proposal would "open up a new channel for peaceful discussion, and initiate at least a new approach to the many difficult problems that must be solved in both private and public conversations, if the world is to shake off the inertia imposed by fear, and is to make possible progress toward peace."

This Committee does not need to be reminded of the importance of disarmament or of the very physical and mental burdens it would lift. Still less do we need to be reminded, after 8 years' debate, how difficult it is to disarm when mutual trust is lacking.

Disarmament is one element in the building of peace. At least one other element is a new world outlook which may get us into the habit of working together and thus, eventually, in trusting each other. We think that this Atoms for Peace proposal will lead the world away from war because it is a new prism through which we can look at the problems of the world. It is a new place from which to begin.

We must therefore not bog down one proposal by tying it onto another. There already exists a separate framework for disarmament. We here propose a framework for the parallel discussion of the peaceful uses of the atom. We anticipate that genuine progress in either discussion will eventually facilitate progress in the other. We agree with the Representative of the Soviet Union when he says that the proposals of the March memorandum³ do not, in themselves, result in a reduction of the potential force of atomic weapons. We agree with him on that. Neither do they increase it. But they would certainly result in economic and social benefits to many areas of the world. And we, in our partnership with the other negotiating powers, are determined that progress in making the atom available for peace shall not be further delayed.

The Soviet Representative contended that the exploitation of atomic energy for peaceful uses inevitably implies an increase in the supply of fissionable weapon-grade materials; that the more dangerous materials diverted to peaceful uses could become dangerous; and that industrial actors would produce radioactive effluents or by-products which could be used for military purposes. He thereby implied that the agreement

³ *Ibid.*, Oct. 4, 1954, p. 480.

peaceful uses of atomic energy must include an agreement to eliminate atomic weapons. The distinguished Representative of Sweden⁴ also alluded to this problem. We believe, however, that it is not necessary to solve the entire problem of international control of atomic energy and the elimination of atomic weapons before we can have peaceful projects utilizing atomic fission consistent with international security.

Let me reaffirm the belief of the United States, as stated in the published correspondence with the Soviet Union contained in Document A/2738, that ways can be devised consistent with international security for developing the peaceful uses of the atom and for safeguarding against the diversion of materials to warlike purposes. For one thing, there are forms of peaceful utilization in which no question of weapon-grade material arises at all. In the activities proposed for the immediate future as described in my speech before this Assembly on November 5, for example, weapon-grade materials would not be involved in any way.

The problem of radioactive by-products suggested by the Soviet Representative can also be dealt with.

Interlocking Safeguards

As for insuring against diversion of materials from power-producing reactors, this problem is part of the general question of the various interlocking safeguards which are necessary to see to it that fissionable materials provided for or produced in connection with peaceful uses of atomic energy are utilized only for such purposes and are not diverted to improper uses. This is one problem which must be considered in the course of negotiations to establish the International Atomic Energy Agency, and the various powers negotiating, particularly those actually producing fissionable materials, will obviously make clear their views on this matter. It is theoretically possible, as the Soviet Representative suggested, to build power reactors that will increase the supply of fissionable weapon-grade materials, but it is not inevitable. We believe that, as power-producing reactors are designed and built in the future, the ingenuity of the scientists and statesmen will find ways of assuring that materials are not diverted to warlike industries.

Remember that the spread of nuclear materials through the work of the international agency, for the purpose of establishing atomic power plants, would not in any degree complicate the problem of insuring the utilization of atomic energy for peaceful purposes only. That problem already exists as a part of the disarmament question, and the great powers have been discussing it for years. The international control organ, when established, could function perfectly well in collaboration with the International Atomic Energy Agency. But, in the meantime, we want to get on with the business of helping to bring atomic energy to the service of mankind. Nothing we do to this end need complicate the problem of disarmament control.

The Soviet Representative has also sought to link disarmament and the peaceful uses of the atom by insisting upon the paramount role of the Security Council in this field. The Security Council, under the charter, has primary responsibility for the maintenance of international peace and security. The General Assembly likewise has responsibilities in this field. If a situation arises in connection with the peaceful uses of the atom in any country or group of countries which endangers international peace and security, it would be a matter of concern both to the Security Council and the General Assembly and would doubtless be dealt with by the United Nations as are other situations of this nature. Thus, it is possible and indeed probable that in the interests of international security there will be some relationship between the agency and the Security Council, the General Assembly, and the Secretary-General of the United Nations.

But the Soviet Representative harked back to the General Assembly resolution of February 14, 1946, creating the original United Nations Atomic Energy Commission, a body which no longer exists. This was the commission which was to make specific proposals for the control of atomic energy to the extent necessary to insure its use only for peaceful purposes. Since the primary objective of this commission was to deal with atomic disarmament, the commission, of course, was to report and make recommendations to the Security Council and to the General Assembly. The Soviet Representative now seems to suggest that the International Atomic Energy Agency, whose functions will be wholly different, should be saddled

⁴Rickard Sandler.

with the same requirement—and thus be made subject to the veto.

The truth is that the purpose which this defunct commission was designed to achieve has, by a recent resolution (and many other previous ones), been referred to the Disarmament Commission, which is the body to which the United Nations now looks for action on disarmament.

Questions have been asked by certain other members as to the nature of the participation of underdeveloped countries in the agency. I believe this was referred to in the speech by the Representative of Pakistan.⁵ The memorandum handed to the Soviet Ambassador by the Secretary of State on March 19 contained a provision that the highest executive authority in the agency should be exercised by a board of governors of limited membership representing governments. The memorandum went on to suggest that in determining the composition of the board of governors it might be desirable "to take account of geographic distribution and membership by prospective beneficiaries." In other words—and I stress this point—our plans contemplate representation on the agency's board of governors of the underdeveloped countries which will also be participating in the agency.

Another question relates to the participation in the agency of states other than those which are conducting the negotiations for its organization. The Secretary of State, in his opening address to this Assembly on September 23, made the United States position on this entirely clear. For example, he said:

I would like to make perfectly clear that our planning excludes no nation from participation in this great venture. As our proposals take shape, all nations interested in participating, and willing to take on the responsibilities of membership, will be welcome to join with us in the planning and execution of this program.

That continues to be the United States position.

We have never contemplated a closed organization of contributing states. Nor have we contemplated confronting other governments with a *fait accompli* in the creation of this agency. As we have indicated in the seven-power resolution, we have undertaken to inform the members of the United Nations as progress is achieved in the establishment of the agency. Moreover, I can give a further assurance in this regard. The govern-

⁵ Mohammad Mir Khan.

ments engaged in the current negotiations intend to consult those governments which indicate an interest in participating in the agency before the agreement establishing the agency is submitted for ratification. Views expressed by the governments so consulted will, of course, be seriously taken into account.

This, then, is our program. We want above all to find the quickest way to create this agency. That is what the seven-power resolution is designed to promote. We are pressing on with our negotiations on an urgent basis and ask nothing more than the cooperation and good will of other governments so that by the next session of the General Assembly we shall be able to discuss accomplishments and concrete results of international cooperation in putting the discoveries of atomic science at the service of man.

U.S. Offer of Fissionable Material

Now, Mr. Chairman, just as I began this prepared statement which I have just concluded, I received a message from Washington, the substance of which I now lay before you. I hope it will once and for all remove from the minds of all any confusion as to how specific the United States Atoms for Peace proposal is, whether or not the scope of our proposal has been narrowed. Here is the message.

I have just been authorized by the President of the United States to state to you that the Atomic Energy Commission has allocated 100 kilograms of fissionable material to serve as fuel in the experimental atomic reactors to which the Secretary of State and I have previously referred and which are to be situated in various places abroad. This amount of fissionable material is enough to activate a considerable number of these reactors throughout the world.

U.S. Delegations to International Conferences

Governing Body of International Labor Office

The Department of State announced on November 10 (press release 635) that the United States would be represented at the 127th session of the Governing Body of the International Labor Of-

office, opening at Rome, Italy, on November 16, by the following delegation:

U.S. Government representative

J. Ernest Wilkins, Assistant Secretary of Labor, Department of Labor

U.S. Government substitute representative

Arnold Zempel, Executive Director, Office of International Labor Affairs, Department of Labor

U.S. Government adviser

Otis E. Milliken, Officer in Charge of Social Affairs, Office of International Economic and Social Affairs, Department of State

The Governing Body, which meets three or four times a year, is responsible for the general supervision of the International Labor Organization (ILO). It also selects items for the agenda of the International Labor Conference, considers proposals relating to the Organization's budget, and determines the time, place, and agenda of ILO committee meetings and regional conferences.

At its 127th session, the Governing Body will review the reports of its committees; receive the report of the Director General; determine the date, place, and agenda of the 39th (1956) session of the International Labor Conference; and discuss other related matters.

General Conference of UNESCO

The Department of State announced on November 11 (press release 639) the membership of the U.S. delegation to the eighth session of the General Conference of the United Nations Educational, Scientific and Cultural Organization (UNESCO) at Montevideo, Uruguay, from November 12 to December 11. Delegates from the 72 member states of this specialized agency of the United Nations will attend the General Conference, where decisions will be made on UNESCO's biennial program and budget for 1955-56.

The U.S. delegation consists of the following:

Acting U.S. representatives

Albert F. Nufer, *Chairman*, American Ambassador to Argentina

Samuel M. Brownell, *Vice Chairman*, U.S. Commissioner of Education, Department of Health, Education, and Welfare

Elizabeth E. Heffelfinger, member, U.S. National Commission for UNESCO, Wayzata, Minn.

Athelstan F. Spilhaus, Dean, Institute of Technology, University of Minnesota, Minneapolis, Minn.

Congressional adviser

Hugh Scott, U.S. House of Representatives

November 29, 1954

Principal adviser

Walter M. Kotschnig, Director, Office of International Economic and Social Affairs, Department of State

Advisers

Robert C. Angell, Chairman, Department of Sociology, University of Michigan, Ann Arbor, Mich.

John D. Connors, Director, Department of Education, American Federation of Labor, Washington, D. C.

Ralph W. Hardy, Vice President, National Association of Radio and Television Broadcasters, Washington, D. C.

Henry R. Hope, Chairman, Fine Arts Department, Indiana University, Bloomington, Ind.

David E. Kaufman, Attorney at Law, Philadelphia, Pa.

Carol C. Laise, Department of State

Guy A. Lee, Department of State

Max McCullough, Executive Secretary, U.S. National Commission for UNESCO; Director, UNESCO Relations Staff, Department of State

Charles R. Norberg, Attorney at Law, Washington, D.C.

David Persinger, Department of State

James Simsarian, Department of State

Francis B. Stevens, Department of State

Edward G. Trueblood, Counselor, American Embassy, Montevideo, Uruguay

Hoyt N. Ware, American Embassy, Buenos Aires, Argentina

One of the major questions to come before the General Conference will be a proposal to remodel UNESCO's extensive programs in the fields of education, natural and social sciences, the arts, humanities, and mass communication by channeling these activities into a limited number of special projects. The draft program submitted by the Director General and the Executive Board of UNESCO contemplates a reduction of the number of projects to be undertaken in the next 2 years, with a majority of these geared to specific short-term projects in the fields of fundamental education, compulsory education, public libraries, reading material for new literates, and research on the arid zones.

Meeting of Ministers of Finance or Economy, Inter-American Economic and Social Council

The Department of State announced on November 18 (press release 657) that Secretary of the Treasury George M. Humphrey had been designated U.S. delegate and chairman of the U.S. delegation to the Meeting of Ministers of Finance or Economy, convened as the Fourth Extraordinary Meeting of the Inter-American Economic and Social Council, opening at Quitandinha, Brazil, on November 22.

International trade, economic development, transportation, and organizational problems will be among the matters discussed at the meeting.

Others in the U.S. delegation are as follows:

Alternate delegates

Herbert Hoover, Jr., Under Secretary of State, *Vice Chairman*

Henry F. Holland, Assistant Secretary of State for Inter-American Affairs, *Coordinator*

Special congressional advisers

Alexander Wiley, Chairman, Committee on Foreign Relations, U.S. Senate

Homer E. Capehart, Chairman, Committee on Banking and Currency, U.S. Senate

George A. Smathers, Committee on Interior and Insular Affairs, U.S. Senate

Senior advisers

Samuel W. Anderson, Assistant Secretary of Commerce for International Affairs

Clarence C. Brooks, Foreign Service Officer (Retired)

Glen E. Edgerton, President and Chairman of the Board, Export-Import Bank of Washington

James S. Kemper, U.S. Ambassador to Brazil

Andrew N. Overby, Assistant Secretary of the Treasury

Samuel C. Waugh, Assistant Secretary of State for Economic Affairs

Advisers

Hawthorne Arey, Assistant Director and Vice President, Export-Import Bank of Washington

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George Wythe, Director, American Republics Division, Bureau of Foreign Commerce, Department of Commerce

Current Treaty Actions

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Postal Matters

Universal postal convention, with final protocol, annex regulations of execution, provisions regarding airmail and final protocol thereto. Signed at Brussels July 11 1952. Entered into force July 1, 1953. TIAS 2800.

Ratification deposited: Bulgaria, October 2, 1954; Mexico, October 4, 1954.

Trade and Commerce

International convention to facilitate the importation of commercial samples and advertising material. Dated at Geneva November 7, 1952.¹

Accession deposited: Norway, November 2, 1954.

BILATERAL

Egypt

Agreement relating to development assistance. Effectuated by exchange of notes at Cairo November 6, 1954. Entered into force November 6, 1954.

El Salvador

Agreement for a cooperative program of productivity, pursuant to general agreement for technical cooperation of April 4, 1952 (TIAS 2527). Signed at San Salvador August 31, 1954.

Entered into force: October 27, 1954 (the date notification was given the United States of publication of the agreement in the *Diario Oficial* of El Salvador).

Korea

Mutual Defense Treaty. Signed at Washington October 1 1953. Senate advice and consent, with understanding given January 26, 1954. Ratified by the President February 5, 1954.

Entered into force: November 17, 1954 (date of exchange of ratifications).

¹ Not in force.

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657	11/18	Delegation to Rio Conference (re-write).
*658	11/19	Program for Chancellor Raab's visit.
659	11/19	Payment by Mexico.
660	11/19	Text of U.S.-Korean minute.
661	11/20	Hoover: departure for Rio.
662	11/20	U.S.-French communique.

*Not printed.

†Held for a later issue of the BULLETIN.



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*London and Paris Agreements
September–October 1954*

Publication 5659

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Secretary of State John Foster Dulles in his report of October 25, 1954, described the situation on European unity as of the beginning of September as follows: "At the beginning of September, things looked pretty dark. The plan for the European Defense Community had collapsed, and it looked as though the whole North Atlantic Treaty structure, its whole system, might be undermined and even swept away by political indecisions and uncertainties." Then came the Nine-Power Conference at London, September 28 to October 3, 1954, and the Conferences at Paris, October 20 to October 23, 1954.

The historic achievement of these Conferences is recorded in this 128-page publication, which includes the various agreed documents, together with the transcript of the report made by Secretary Dulles to President Eisenhower, the Cabinet, and the American people on October 25, 1954.

Please send me——copies of *London and Paris Agreements—September–October 1954*.

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The Department of State

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Bulletin

Vol. XXXI, No. 806

December 6, 1954



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The Department of State bulletin

VOL. XXXI, No. 806 • PUBLICATION 5683

December 6, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

Progress Toward European Security

by Livingston T. Merchant

Assistant Secretary for European Affairs¹

It was with the greatest pleasure that I accepted the invitation with which you honored me to meet with you tonight to mark this 104th anniversary of the Treaty of 1850 between Switzerland and the United States. I feel that in doing so we are commemorating something just as real, far older, and more fundamental—something of which this treaty of friendship is a symbol. This is one of our oldest treaties, which is a reflection of the historic and traditionally close friendship between our two countries, a friendship which springs from our common dedication to the principles of democracy and peace. And then there is a particular, personal pleasure in seeing honored at this dinner my old and good friend, Charles Bruggmann, who has represented his country with such distinction for so many years in Washington.

On this occasion I can think of no more fitting opening than to extend to you President Eisenhower's personal greetings which he asked me to convey. Addressed to the American Society for Friendship with Switzerland, the President's message reads:

I welcome this opportunity to send to the members of the American Society for Friendship with Switzerland my sincere good wishes. You are to be warmly congratulated for your work to strengthen the long-standing friendship between the United States and Switzerland. The peoples of both nations will never cease in their ardent devotion to democracy or their tireless service to the cause of just peace. Your efforts should therefore enjoy continuing success in the years to come.

Peace—which is at the heart of this message—is in the minds of all of us in these troubled times. The peace we seek is not peace by capitulation.

Nor is it the kind of peace to be bought on the installment plan by successive acts of appeasement. The peace of which the President speaks, and for which this Government has worked and will continue to work, is a peace founded on equity and honor. This is the only kind of peace that can endure.

Now why is it that we of the free world are troubled and frustrated in our quest for peace?

We and our friends have no desire other than to live in peace, to attend to our own affairs, and to devote all our efforts to the material and to the spiritual advancement of our life in freedom.

The fact is that the threat that overhangs us all resides in the character of the Soviet Government and particularly in its actions since the end of the Second World War. Where we all too quickly demobilized our military strength, the Soviets retained their armies on a war footing and indeed have steadily built up their strength in conventional and in atomic preparations. Moreover, the Kremlin has never ceased to reiterate its fundamental conviction that in the long run communism will triumph over capitalism on every continent and that meanwhile what they describe as this historic movement must be assisted and promoted by sabotage, by subversion, and by vicious political warfare directed against the countries of the free world.

The Communist coup in Czechoslovakia in February 1948 was a shocking but important educational event for the West, and following that we on our side began to draw closer together. The Brussels Treaty among Great Britain, France, the Netherlands, Belgium, and Luxembourg was signed in March of 1948, and then in April 1949 the United States and 11 other nations of the Atlantic Community signed the historic North

¹ Made before the American Society for Friendship with Switzerland at New York, N. Y., on Nov. 23 (press release 665).

Atlantic Treaty. These developments took place against the menacing backdrop of the Soviet blockade of Berlin from June of 1948 to May of 1949.

Soviet Imperialism

Our aims are defensive and our purposes are peaceful. It is the record and not just the theory of the imperialist—one might more properly say the colonialist—policy pursued by Moscow which has compelled us to draw together in collective security arrangements.

This Soviet policy of imperialism has brought under the Communist yoke hundreds of millions of formerly free peoples and vast areas of territory in Europe and in Asia. It has made available to the Communist conspiracy the resources and the manpower of a domain that reaches from Central Europe to the Pacific and from the Arctic to the 40th parallel of latitude. This increase in territorial aggrandizement is immense, and there are no indications that the craving of the Communist leaders for power has in any way been dulled.

This combination of the power potential of the Communist bloc and its aggressive purpose has a grave significance for the United States. Although we enjoy a substantial technological superiority, although we possess an industrial plant of great power, and although we are richly endowed with natural resources, the United States alone cannot hope to match the power which could in time be marshaled by the empire now subject to Communist control. And if that can be said of the United States, it certainly applies to any other single free nation.

We are dealing then with a direct threat to the security of this country. It is and has been obvious that we must take those steps needed to protect our national security. We have built up our own defenses and we have joined with other free nations who are similarly threatened and who are willing to make sacrifices in order to remain free, so that the combined strength of this free coalition possesses a power potential that outmatches any that can be mustered by the Communist sphere.

It was for this purpose that the North Atlantic Treaty was negotiated and brought into effect 5 years ago.

Now, let me briefly describe the recent steps which we have taken to strengthen further our collective security arrangements in Europe.

Propositions Regarding Germany

We and our friends in Europe have long accepted three propositions with respect to that great and vital nation, Germany. First, no one can indefinitely hold in the status of an occupied country a proud and industrious people. To attempt to do so inflames all the resentments on which militant nationalism feeds. Secondly, the effective defense of Western Europe, as has been agreed by all our military leaders, requires a defense contribution from Germany itself. Finally, and I believe most important, if Western Europe is once and for all to rid itself of the threat of recurring internecine wars, then Germany and its neighbors and particularly France, must be bound together in a new relationship which so weaves together their economies, their defense arrangements, and their institutions as to make another war within the Western European family not merely unthinkable but actually impossible.

It was to achieve all these purposes that the Treaty of Bonn and the treaty for the European Defense Community were signed in May of 1952. A great enterprise fell to the ground when the European Defense Community Treaty was rejected last August 30. It cannot be denied that this result was a blow of most serious proportions to all those who had labored to bring about the uniting of Western Europe and to bulwark its defenses.

But, in a matter of days and to the surprise of many, the West showed the energy and the resolution and the imagination which have made it great. The British Foreign Secretary, Sir Anthony Eden, in quick succession visited Brussels, Bonn, Rome, and Paris, developing, as he traveled, a concept of enlarging the Brussels Treaty by bringing Germany and Italy in as members and greatly modifying its structure. This also would pave the way for restoration of German sovereignty and Germany's admission to NATO. Our own Secretary of State, Mr. Dulles, made a flying visit to Bonn and to London to consult with the German and British leaders.

On September 28, less than a month after the failure of the EDC, the Foreign Ministers of Great Britain, France, Germany, Italy, the Netherlands, Belgium, Luxembourg, Canada, and the United States—nine powers in all—met in London. Within a week they worked out agreements in principle to achieve this developing design. At that London Conference the climax was reached in declaration

by Secretary Dulles and Foreign Secretary Eden—statements extraordinary for their dramatic values and for their significance.²

Decisive Statements by U.S. and U.K.

Because the United States role in Europe is necessarily dependent upon agreement among the European nations themselves, Secretary Dulles had deliberately refrained from taking to London any “made in America” proposals. His statement was nonetheless a vital contribution. It was a lucid description of the American position with regard to the unity and defense of Europe. He said, in effect, that if arrangements were agreed upon at London that provided for the continuing hope of unity among the countries of Europe, then the United States would be disposed to renew its pledge to maintain in Europe such elements of its armed forces as may be necessary or appropriate—necessary or appropriate, that is, to contribute its fair share to the common defense of the North Atlantic area while the threat to that area exists.

Sir Anthony Eden then announced a shift in British policy of historic importance. In a dramatic statement he disclosed the readiness of Great Britain to make a permanent commitment of troops to the Continent in an integrated European force. I think everyone at the conference table was moved, as I was, by his phrase: “Ours is . . . an island story.” Then Sir Anthony gave this pledge: Britain was prepared to abandon its traditionally insular policy and to align itself with the other Brussels Treaty powers by maintaining our divisions of ground forces and tactical air strength permanently on the Continent.

These two statements were decisive. The principles of Western European Union, which were agreed upon at London, provide for the entrance of the sovereign Federal Republic of Germany into NATO and for a German defense contribution. Safeguards are provided against a resurgence of German militarism, and these are reinforced by the British commitment of troops and air contingents to the Continent. The North Atlantic Treaty Organization is being tightened administratively, and the Supreme Allied Commander in Europe, General Alfred Gruenther, is being given added authority and responsibility.

That Conference ended on Sunday, October 3d,

with the signature of the Act of London.³ For the next 3 weeks experts labored literally night and day to translate agreements in principle into precise texts. Then on October 21 the same Nine Powers reassembled in Paris. On the 23d the full North Atlantic Council met. On that Saturday were signed the protocols and agreements⁴ which, when ratified and in force, will mark the completion of the labors of the past years to achieve Western unity and collective defense.

Although the revised Brussels Treaty lacks the broad supranational features of the European Defense Community Treaty, it does provide a framework within which European unity can develop. Moreover, it has the great asset of British membership, which the EDC had not.

Let me also recall one other feature of the revised Brussels Treaty which, I think, has escaped general attention. This is the provision for limitations on military forces, on stocks of weapons, and on the production of arms.

Communist propaganda promptly attacked the agreements as aggressive in intent and a threat to the peace of Europe. But, I submit, no body of men who have aggression in mind are going to sit around discussing and agreeing on the manner in which forces should be limited or stocks of arms controlled and their manufacture restricted. That attitude is in itself incontrovertibly defensive. The motivating purpose is to arrive at a defensive force that is adequate but minimum. And this must be just as apparent to the Communists as to anyone else.

The agreements reached at the London and Paris Conferences were, beyond doubt, a shock and a disappointment to the Soviet rulers. One did not need to be a soothsayer to prophesy that they would seek to delay and, if possible, prevent the ratification of the agreements that emerged from those conferences. Soviet propaganda was stepped up and became more shrill.

Transparent Soviet Diplomacy

Then, 10 days ago, the Soviet Government addressed to 23 European countries and to the United States a note proposing that a conference be held in Moscow, or Paris, on November 29, little more than 2 weeks from the date of the despatch of the

³ *Ibid.*, p. 515.

⁴ *Ibid.*, Nov. 15, 1954, p. 719.

² BULLETIN of Oct. 11, 1954, p. 523 and p. 525.

note—a conference to consider the security of Europe. This note did not even attempt to disguise its purpose—to delay the ratification of the agreements concluded among the 14 members of the North Atlantic Treaty and the Federal Republic of Germany in Paris. Indeed it was almost frivolous in its transparency. To anyone who has even the slightest acquaintance with the amount of preparation and the extent of the physical arrangements necessary to hold a conference of this size and importance, the date suggested was ludicrous. Belatedly, last Saturday [November 20], Mr. Molotov attempted to retrieve this clumsiness by offering to postpone the date, if ratification of the Paris agreements was similarly postponed.

This Soviet proposal is no novelty. It contains nothing new nor any surprises. Last February, at the Four Power Conference in Berlin, I listened to Mr. Molotov propose a general European treaty on collective security, to which all European states, "irrespective of their social systems," could become parties.⁵ But Mr. Molotov's proposal of February and its reiteration last week completely miss the point. Security in Europe—or for that matter throughout the world—cannot be achieved by the exercise Mr. Molotov suggests. As Mr. Dulles was quick to point out at Berlin, the Soviets as well as we—in fact 60 nations—have subscribed to and signed the United Nations Charter and by that subscription and signature renounced the use of force against the political independence and the territorial integrity of other states. There is nothing wrong or lacking in the wording of this great charter. We would be hard put to it to improve on it as a collective nonaggression treaty.

The sense of insecurity in the world springs not from any lack of precision in the United Nations Charter but from the fact that some of the parties to it have not lived up to the obligations which, by signing it, they accepted. It is a lack of trust and confidence in the purposes and intentions of the Soviet Union and its satellites which accounts for the sense of insecurity in the world today.

It is that record—testified to by the rape of Czechoslovakia, the satellization of the other East-

ern European countries, the Berlin blockade, and culminating in the cruel, crude aggression against the Republic of Korea in June 1950—which has forced us to look to our defenses, rather than to place our trust exclusively in solemn agreement recorded on paper.

In so far as Europe is concerned, we have, I think, a right to be proud of what we have built within the Atlantic Community. Our unity is great, and it will continue to grow. Our defenses are respectable, and, by the necessary exertion, they will be further developed to the point where a lightning aggression in Europe need no longer be feared as it has rightly been in the past.

But it is not enough to draw together and assure our defenses. We must continue in our unflinching willingness to explore by peaceful negotiation any safe and reasonable prospect of reducing tension. In Europe the sources of these tensions are well known. Principally they are these: first, the continued division of Germany; second, the unjust retention of Austria in occupation status more than 10 years after the Soviets agreed that with the war's end Austria would be considered a liberated and not an enemy country; and, finally, the undiminished military establishment of the Soviet Union and its Eastern European satellites—or "colonies" might be a better word.

In numerous conferences—the last at Berlin early this year—we have sought the solution of these first two great problems. We have made fair and reasonable propositions. We have demonstrated our willingness to compromise where principle was not involved. In the United Nations we have patiently searched for a road to disarmament on which the Soviets would join our company.

The results so far have all been negative. It may be, however, that once the Paris accords are ratified and in force a more solid basis for negotiation will exist. It would be folly to succumb to obvious stratagems designed to delay the achievement of the position of strength which ratification of the Paris agreements will bring. But thereafter and if evidence should develop, through diplomatic channels which are always open, that there is a serious intention on the other side to reach agreement on the problems which lie at the root of tension in Europe, then a new and more hopeful prospect might open up for all of us.

⁵ *Ibid.*, Feb. 22, 1954, p. 269, and Mar. 15, 1954, p. 401.

Protocols on German Occupation and Accession to NATO Transmitted to Senate¹

PRESIDENT'S MESSAGE OF TRANSMITTAL

THE WHITE HOUSE,
November 15, 1954.

To the Senate of the United States:

I transmit herewith for the consideration of the Senate a certified copy of the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany, signed at Paris on October 23, 1954, to which are annexed five schedules, and a certified copy of the Protocol to the North Atlantic Treaty on the Accession of the Federal Republic of Germany, also signed at Paris on October 23, 1954.² I request the advice and consent of the Senate to the ratification of these two documents.

In addition, I transmit for the information of the Senate a number of related documents. These include a report made to me by the Secretary of State on the present agreements; the Final Act of the Nine Power Conference held at London, September 28–October 3, 1954, with annexes;³ 3 resolutions adopted by the North Atlantic Council on October 22, 1954; 4 protocols to the Brussels Treaty signed at Paris on October 23, 1954, together with the text of the Brussels Treaty signed on March 17, 1948; a declaration dated October 23, 1954, of the states signatory to the Brussels Treaty inviting Italy and the Federal Republic of Germany to accede to the treaty; a resolution on the production and standardization of armaments adopted by the Nine Power Conference at Paris on October 21, 1954; the Convention on the Presence of Foreign Forces in the Federal Republic

of Germany, signed at Paris on October 23, 1954; the Tripartite Agreement on the Exercise of Retained Rights in Germany, signed at Paris on October 23, 1954; certain letters relating to the termination of the occupation regime in the Federal Republic of Germany, dated October 23, 1954, together with the texts of letters exchanged in 1952 referred to therein; and a statement on Berlin made by the Foreign Ministers of France, the United States, and the United Kingdom in Paris on October 23, 1954.

I know the Senate is aware of the very great importance of these agreements to the security of the United States and to the cause of peace and freedom in the world as a whole. The agreements represent the culmination of a joint effort, extending over several years, to promote closer cooperation in security matters among the nations of Western Europe and to find a way of associating the great potential strength of the Federal Republic of Germany with that of the free world in a manner which will ensure freedom and equality for the people of Germany and at the same time will avoid the danger of a revival of German militarism. The Congress of the United States has recognized on several occasions that the effectiveness of the entire Atlantic relationship depends to a very great extent upon the attainment of these objectives, and last summer the Senate adopted a resolution (S. Res. 295, July 30, 1954)⁴ expressing the sense of the Senate that steps should be taken to restore sovereignty to Germany and to enable her to contribute to the maintenance of international peace and security.

It was hoped that these objectives would be accomplished through the treaty constituting the European Defense Community, together with the

¹ Reprinted from S. Exec. L and M, 83d Cong., 2d sess.

² For texts of these two protocols and of the other principal documents signed at the Paris Conference, see BULLETIN of Nov. 15, 1954, p. 719.

³ *Ibid.*, Oct. 11, 1954, p. 515.

⁴ *Ibid.*, Aug. 23, 1954, p. 284.

Bonn conventions of May 26, 1952,⁵ which were designed to terminate the occupation regime in the Federal Republic. But the treaty constituting the European Defense Community failed of ratification, and the conventions, being dependent on the treaty, could not be brought into effect. Accordingly, it became necessary to devise a set of alternative arrangements by which the nations of the North Atlantic Community might pursue their common security objectives, and these new arrangements are embodied in the present agreements.

In accordance with these arrangements, the Federal Republic will be invited to accede to the North Atlantic Treaty and, along with Italy, to the Brussels Treaty. Furthermore, important changes will be made in the military arrangements under the North Atlantic Treaty Organization and in the basic nature of the Brussels Treaty to which Belgium, France, Luxembourg, the Netherlands, and the United Kingdom are already parties. These changes will have the effect, not only of placing certain agreed controls on European armaments, but also of strengthening and reinforcing both the North Atlantic Treaty Organization and the new Brussels Treaty Organization, the Western European Union.

In NATO, the powers of the Supreme Allied Commander, Europe, will be strengthened in the fields of assignment and deployment of forces, inspection, and logistical organization. In addition, the principle of integration of units may be carried to lower echelons than is now the case. These measures are desirable in their own right because they increase the general effectiveness of NATO forces. At the same time, they create a degree of mutual interdependence among national forces assigned to NATO that will effectively limit the ability of any one nation to take independent military action within SACEUR's area of command.

The Brussels Treaty is modified so as to establish a new Council for Western European Union, and promotion of European integration becomes a new purpose of the treaty. The Council is given important powers in the fields of controlling forces and armaments. The continental forces of the Brussels Treaty countries are set at specified

limits, conforming, for those countries which would have been members of the European Defense Community, to the limits set by the EDC Treaty. These limits cannot be changed except by the unanimous consent of the Council. In addition, the United Kingdom has agreed that it will continue to maintain on the mainland of Europe forces of the level presently committed there. Further safeguards are provided in the armaments field. The Federal Republic has renounced the right to manufacture atomic and certain other weapons. Major types of conventional weapons will be subject to control. An Agency for Control of Armaments is to be set up for the purpose of enforcing these arms limitations.

It has also been agreed that the occupation regime must be brought to an end and the Federal Republic will assume the full authority of a sovereign state in its external and internal affairs. This will be accomplished by the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany, which amends the conventions which were placed before the Senate in 1952 and brings them into effect as amended. The amendments are designed principally to bring the Bonn conventions into harmony with the new arrangements for a German defense contribution and with German membership in the North Atlantic Treaty Organization.⁶ The greater part of the conventions has been left unchanged. They will provide, as before, for the revocation of the occupation statute, the abolition of the Allied High Commission, and the settlement of numerous problems arising out of the war and the occupation. The convention regulating the status of Allied forces in Germany will continue until it is replaced by new arrangements based on the NATO Status of Forces Agreement, supplemented by such provisions as are necessary in view of the special conditions with regard to forces stationed in the Federal Republic. New arrangements will also eventually have to be concluded on the support of foreign forces in the Federal Republic. Of the special rights retained by the United States, the United Kingdom, and France in the original conventions, those relating to Berlin and to Germany

⁵ For a summary of the Bonn conventions, see *ibid.*, June 9, 1952, p. 888; for texts of the conventions and of the EDC treaty, see S. Exec. Q and R, 82d Cong., 2d sess.

⁶ For the complete text of the Protocol on the Termination of the Occupation, including the five amending schedules, see *London and Paris Agreements*, Department of State publication 5659, p. 63.

as a whole will be kept on the same terms as before, and the right to station forces in Germany will, after German admission to NATO, be exercised with the consent of the Federal Government insofar as the Federal territory is concerned.

Of the four conventions which are to be amended by the protocol and placed in effect as amended, only one (the Convention on Relations between the Three Powers and the Federal Republic of Germany) was submitted to the Senate for its advice and consent to ratification. The other conventions were in the nature of implementing administrative agreements, for which the Senate recognized that formal approval was unnecessary and, furthermore, was undesirable, inasmuch as they might require technical revision from time to time to meet changing conditions. Approval of the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany will not change the nature of those related conventions.

While the arrangements embodied in these agreements are complex, their purposes are simple. The Federal Republic is placed on a basis of full equality with other states. The military strength of the Federal Republic will be combined with that of the other countries in the Atlantic community in such a way that the development and use of the German military contribution will be in accordance with the common need. The Federal Republic will be fully associated with the Atlantic community through membership in the North Atlantic Treaty Organization, and with the European community through membership in the Western European Union established under the Brussels Treaty. Both of these organizations will be strengthened internally. The procedures and institutions which are the subject of these agreements make it inevitable that the states involved will act closely together in the matters most important to their security. This concert of action will, I am convinced, foster the spirit of cooperation and desire for continuing association which have been evident in the free nations and which are essential for their future safety and welfare.

One of the principal specific consequences of the new arrangements will be the addition of a substantial increment of German resources to the Atlantic defense system. At the same time, I want to emphasize the fact that these agreements are founded upon the profound yearning for peace

which is shared by all the Atlantic peoples. The agreements endanger no nation. On the contrary, they represent one of history's first great practical experiments in the international control of armaments. Moreover, their fundamental significance goes far beyond the combining of strength to deter aggression. Ultimately, we hope that they will produce a new understanding among the free peoples of Europe and a new spirit of friendship which will inspire greater cooperation in many fields of human activity.

I urge the Senate to signify its approval of this great endeavor by giving its advice and consent to ratification of the protocols on the admission of the Federal Republic to the North Atlantic Treaty Organization and on the termination of the occupation regime. I hope these instruments may be studied with a view to enabling the Senate to act promptly on these matters when it meets for its new session in January.

DWIGHT D. EISENHOWER.

SECRETARY DULLES' REPORT

DEPARTMENT OF STATE,
Washington, November 12, 1954.

THE PRESIDENT,
The White House.

DEAR MR. PRESIDENT:

I

I have the honor to submit to you, with a view to transmission to the Senate for its advice and consent to the ratification thereof, (1) a Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany, signed at Paris on October 23, 1954, to which are annexed five schedules; and (2) a Protocol to the North Atlantic Treaty providing for the Accession of the Federal Republic of Germany, signed at Paris on October 23, 1954.

II

The protocols above referred to are a part of a series of interconnecting arrangements designed to solidify the security structure of Western Europe. Because of such interdependence, I also submit herewith the other arrangements, although they do not themselves require Senate action. I recommend that these documents, which are listed in the annexed schedule, be submitted to the Senate for its information.

III

The foregoing arrangements, when they become operative, will, in combination, establish basically new conditions in Western Europe. They will realize a result for which the United States has long hoped.

The two world wars of this century have made it evident that western civilization, with its dedication to human liberty, cannot survive if the members of the western world continue to make war on each other. Already they have so expended their blood and treasure in fighting that they have gravely depleted their strength, and they have brought upon themselves the moral condemnation of all humanity because of their failure to establish, even as between themselves, a peaceful order.

Realization of the foregoing brought the Western European nations to seek such a measure of unification, particularly in terms of military establishments, as would make it hereafter both militarily impractical and politically unlikely that their military forces would be used against each other, or indeed against anyone else for other than clearly defensive purposes.

The need for this coincides with new dangers born out of the expansionist policies of Soviet Russia, inspired by the worldwide ambitions of Soviet communism and backed by a vast Red military establishment. This creates for Western Europe a threat which can only be effectively deterred by the achievement of a large degree of practical unity among the European nations themselves, including the Federal Republic of Germany, and, we hope, a unified Germany.

It was originally sought to achieve these objectives by the establishment of a European Defense Community, consisting of six continental countries—Belgium, France, the Federal Republic of Germany, Italy, Luxembourg, and the Netherlands. They would have created an international organization having supranational powers in defense matters. This would have constituted a hard and dependable core at the critical center of the North Atlantic Treaty Organization.

This plan had been proposed on October 24, 1950, by Mr. Pleven, the then French Minister of Defense. After about a year and a half of negotiation, it was embodied in two interconnected treaties—the Bonn Convention on Relations with the Federal Republic of Germany of May 26, 1952,

designed to restore sovereignty to the Federal Republic, and the Paris Treaty of May 27, 1952, designed to establish the European Defense Community.

The Bonn convention was signed by the United States, and on July 1, 1952, the United States Senate advised and consented to its ratification. The Senate at the same time consented to an extension of the North Atlantic Treaty area to include that of the European Defense Community, the significant addition being Western Germany. However, the Bonn convention and the related Paris Treaty never became effective because they were not ratified by all the signatories.

This failure to realize the European Defense Community and to restore sovereignty to the Federal Republic of Germany created a highly dangerous situation. It seemed that Europe might be doomed to continue divisions which would be disastrous both because such divisions would perpetuate the cycle of recurrent war as between the Western European countries themselves, and because a divided Europe would automatically be dominated by Soviet despotic power.

IV

I desire at this point to refer to the action which the United States Senate took on July 30, 1954. It was then predictable that the French Chamber of Deputies might fail to ratify the Bonn and Paris Treaties, above referred to, and the consequences of that failure could measurably be foreseen. In anticipation of that situation there occurred consultations between the Executive and the Senate, as a result of which the Senate, by a vote of 88 to 0, adopted a resolution which asked you in your discretion and within the limits of your constitutional powers to seek—

to restore sovereignty to Germany and to enable her to contribute to the maintenance of international peace and security.

This act of cooperation between the Executive and the Senate, and the unanimous bipartisan action of the Senate itself, had a steadying and sobering effect at a time when there was much confusion and division of counsel. The Senate action enabled me, as your representative, to speak with authority in the subsequent negotiations which I conducted on your behalf.

The forward-looking "advice" thus given by the

Senate in pursuance of its constitutional prerogative has in fact been successfully transmuted into Executive action. The first protocol referred to in I above will "restore sovereignty to Germany" and the second protocol referred to in I above will "enable her to contribute to the maintenance of international peace and security."

V

The Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany is not linked to the entry into force of the arrangements for a German defense contribution, as was the case of the original Convention on Relations with the Federal Republic. It could come into force before it becomes possible to bring the arrangements for the German defense contribution into force. If there is an intervening period, France, the United Kingdom, and the United States will retain their existing powers in the field of disarmament and demilitarization in the Federal Republic. These powers will be exercised through a Joint Commission, consisting of representatives of the three powers and the Federal Republic, who will function by majority vote. These arrangements will be reviewed at the end of 1954 in light of the situation then existing with regard to the entry into force of the protocol and, at the same time, the four Governments will review the exercise of the controls with a view to permitting preparation by the Federal Republic for its future defense contribution.

In addition to the differences above mentioned, several changes of substance have been made in the Convention on Relations with the Federal Republic, as concluded in 1952. However, these changes neither increase the obligations of nor diminish the benefits to the United States as against those reflected in the Bonn convention which was approved by the Senate on July 1, 1952. The changes, which are significant primarily from the standpoint of the Federal Republic of Germany, may be summarized as follows:

(1) In article 2 of the convention as originally concluded, the three powers retained their rights relating to the stationing of armed forces in Germany and the protection of their security, to Berlin, and to Germany as a whole, including the unification of Germany and a peace settlement. These powers were to be held in reserve for special use, related to the Soviet position in Eastern Ger-

many, and were not intended for exercise in ordinary German affairs, either domestic or foreign. It seemed preferable, therefore, that insofar as the territory of the Federal Republic was concerned, the arrangements for the stationing of foreign forces should be put on a contractual basis. Accordingly, the forces in the Federal Republic after the entry into force of the arrangements for the German defense contribution will be governed by a separate convention under the terms of which the Federal Republic agrees to the stationing of forces of the same nationality and effective strength as may be stationed in the Federal Republic at that time. Any increase in the effective strength of these forces may be made only with the consent of the Government of the Federal Republic.

The German representatives recognized that the three powers should preserve their rights to protect the security of forces stationed in the Federal Republic until the Federal Government itself were able to take the necessary measures. This depends on the Federal Government obtaining new legislative powers. The termination of the general right of the three powers in this field will not affect the right of a military commander, if his forces are imminently menaced, to take such immediate action (including the use of armed force) as may be appropriate for their protection and as is requisite to remove the danger.

(2) A second change in the Convention on Relations relates to the Arbitration Tribunal to be established for the settlement of disputes arising between any one of the three powers and the Federal Government. Under the Charter of the Arbitration Tribunal as originally concluded, the Tribunal was given power to take action directly on legislative and administrative measures or judicial decisions applicable within the Federal Republic. These powers, which are not normal to a body created to arbitrate disputes between sovereign states, have been eliminated from the charter.

(3) A third change in the Convention on Relations relates to the situation which will arise on the reunification of Germany. The Convention on Relations as concluded in 1952 provided for its review in the event of reunification (art. 10). The new protocol provides for review of the convention and the related conventions not only in the event of actual reunification of Germany, but also in case an international understanding is reached

with the participation and consent of the four Governments parties to the conventions on steps toward bringing about the reunification of Germany. The Convention on the Presence of Foreign Forces in Germany will also be subject to review in these circumstances. There must, of course, be agreement by all the signatory governments to any changes made in the conventions.

(4) Changes have also been made in the related conventions. These changes for the most part involve bringing the conventions up to date by eliminating clauses referring to the EDC Treaty, by taking into account the lapse of time since the conventions were concluded, and by taking into account progress made toward the completion of certain Allied programs in Germany. They also alter certain clauses in the conventions which were not felt to be in harmony with the status of equality being accorded the Federal Republic. Finally, the arrangements for the financial support of foreign forces stationed in Germany have been brought into harmony with more recent agreements with the Federal Republic in this field.

The related conventions were executive agreements implementing the Convention on Relations. For these, Senate action was unnecessary and, furthermore, recognized by the Committee on Foreign Relations to be undesirable, inasmuch as it was foreseen that they might require technical revision from time to time to meet changing conditions. The report of the Committee on Foreign Relations of the Senate (Ex. Rept. No. 16, 82d Cong., 2d sess.), stated:

Some of the technical provisions in the [related] conventions are temporary in nature and as the situation in Germany changes, it may be necessary to make modifications in them from time to time. Under such circumstances it would seem impractical to require resubmission of the conventions to the Senate before each such modification could go into effect.

The ratification of the Protocol on the Termination of the Occupation Regime in the Federal Republic of Germany will not change the nature of those related conventions.

VI

The arrangements for the termination of the occupation regime in the Federal Republic do not affect the status of Berlin. In a declaration made by the Governments of the United States, the United Kingdom and France at the London Nine

Power Conference of September 28–October 3, 1954, they reaffirmed the declaration made by them in Paris on May 27, 1952, that they would maintain armed forces in Berlin as long as their responsibilities required and that they would treat any attack against Berlin from any quarter as an attack upon their forces and themselves. In addition, the three powers issued a statement in Paris on October 23, 1954, in which they affirmed their determination to insure the greatest possible degree of self-government in Berlin compatible with Berlin's special situation and stated that they had instructed their representatives in Berlin to consult with the German authorities in the city with a view to implementing these principles jointly and to the fullest degree possible.

VII

The Protocol to the North Atlantic Treaty Providing for the Accession of the Federal Republic of Germany, referred to in I above, has no precise counterpart in the documents which were submitted to the Senate in 1952, although, as mentioned there was then a protocol, approved by the Senate which extended the treaty area to include that of the EDC. It was, however, not then contemplated that the Federal Republic of Germany would itself become a party to the North Atlantic Treaty. The German defense contribution would have been made solely through the European Defense Community. Under the arrangements now contemplated, it is essential that the Federal Republic of Germany should become a party to the North Atlantic Treaty and participate in the North Atlantic Treaty Organization (NATO). A protocol to that effect was signed in Paris on October 23, 1954 by the representatives of the 14 nations now parties to that treaty, and is one of the two documents referred to in section I hereof which it is recommended should be submitted to the Senate for advice and consent to ratification. The protocol is framed so that its entry into force is tied to that of the other arrangements relating to German participation in the common defense.

VIII

One of the documents above referred to in section II hereof, is a resolution concerning the powers of the supreme allied commander, Europe (SACEUR) approved by the North Atlantic Council on October 22, 1954. The general effect

of this resolution is to strengthen the role of SACEUR over the forces under his authority. One result of these changes will be to enhance the effectiveness of the NATO forces in Europe, with consequent benefits to the entire NATO effort. Increasing the authority of SACEUR will also mean that the national forces assigned to SACEUR will become integrated and interdependent to an extent that will minimize the possibility of individual nations exercising an independent military initiative in Europe.

IX

Another of the resolutions of the North Atlantic Council suggested to be submitted to the Senate for its information is that of October 22, 1954, which took note of an exchange of declarations between the Federal Republic of Germany and the Governments of the United States, the United Kingdom, and France on October 3, 1954, in London and associated all members of the North Atlantic Treaty with the tripartite declaration issued by the three Governments last named.

In its declaration, the Government of the Federal Republic declares that it has agreed to conduct its policy in accordance with the principles of the Charter of the United Nations and accepts the obligations set forth in article 2 of the charter. The Federal Republic also declares that, upon its accession to the North Atlantic and Brussels Treaties, it will refrain from any action inconsistent with the strictly defensive character of the treaties. In particular the German Federal Republic undertakes never to have recourse to force to achieve the reunification of Germany or the modification of the present boundaries of the German Federal Republic.

In the tripartite declaration, the Governments of the United States, United Kingdom, and France respond appropriately to this declaration, reaffirming in relation to this situation the principles of article 2 of the Charter of the United Nations, condemning the use of force as between nations.

X

A major element in the new arrangements signed at Paris on October 23, 1954, are the four protocols designed to modify the Brussels Treaty. This treaty, signed on March 17, 1948, by France, Belgium, Luxembourg, the Netherlands, and the United Kingdom, was the first major step toward

the military integration of postwar Europe, antedating the North Atlantic Treaty by more than a year. Under the terms of the Brussels Treaty all countries were pledged to give full and immediate military assistance to any party against which aggression might occur. The treaty also provided for consultative machinery for the development of common defense plans. With the advent and growth of NATO, the organizational machinery under the Brussels Treaty became relatively inactive, but the treaty remained in full force and has now afforded a basis for realizing certain major political and security objectives.

The first of the protocols will bring about several important changes in the Brussels Treaty. First, it provides for the accession of Germany and Italy to the Brussels Treaty so that the membership will correspond to that of the proposed European Defense Community, plus the United Kingdom. Second, the Consultative Council of the Brussels Treaty will be transformed into a new "Council of Western European Union" for the purposes of strengthening peace and security and promoting unity and encouraging the progressive integration of Western Europe and closer cooperation between them and with other European organizations. Special provision is made for votes by two-thirds majority or simple majority on specific questions. Provision is made for close cooperation between the Brussels Treaty Organization and the North Atlantic Treaty Organization. There is a clause stating the undesirability of duplicating the work of the military staffs of NATO and stipulating that the Council and its Agency for the Control of Armaments will rely on the military authorities of NATO for information and advice on military matters.

The second protocol is concerned with the size of the forces of Western European Union. It provides that the total strength and number of formations of the land and air forces of Belgium, France, the Federal Republic of Germany, Italy, and the Netherlands placed under SACEUR shall not exceed those laid down in the special agreement annexed to the European Defense Community Treaty. The forces of the United Kingdom under SACEUR shall not exceed those presently under SACEUR command, and Luxembourg's forces shall be set at one regimental combat team. Naval forces are to be set by the NATO annual review process. Any increase in the agreed maxi-

mum forces will be subject to the unanimous approval of all parties to the Brussels Treaty.

An important feature of this protocol is the commitment by the United Kingdom to maintain on the mainland of Europe the effective strength of the United Kingdom forces now assigned to SACEUR, i. e., four divisions and the Second Tactical Air Force or such other forces as SACEUR regards as having equivalent fighting capacity. The United Kingdom undertakes not to withdraw these forces against the wishes of a majority of the Brussels Treaty Powers. The protocol provides that this undertaking does not bind the United Kingdom in case of an acute overseas emergency. It further provides that if maintenance of forces on the Continent at any time places too great a strain on the external finances of the United Kingdom, the Government of the United Kingdom will invite the North Atlantic Council to review the financial conditions under which the United Kingdom forces are maintained.

This commitment is in addition to the commitment implicit in the United Kingdom's membership in the new Council of Western European Union.

The third protocol relates to the control of armaments. It is concerned both with armaments which are not to be manufactured in the Federal Republic and those which are to be controlled within the Brussels Treaty countries on the mainland. The prohibited arms, which the Federal Republic of Germany has renounced the right to produce, are atomic, biological, and chemical weapons and guided missiles, larger naval vessels, and strategic bombing aircraft. Unanimous vote of the Council of Western European Union is required to give Germany the right to produce atomic, biological, and chemical weapons. A two-thirds majority of the Council can give Germany the right to produce guided missiles, larger naval vessels, and strategic aircraft, provided that SACEUR recommends that Germany be given this right.

The armaments subject to control throughout the territory of the six Continental countries include both the weapons which are prohibited and a number of other major weapons. These include mines, tanks, large artillery and ammunition therefor, aircraft bombs and most types of military aircraft.

A fourth protocol creates an Agency for the

Control of Armaments. With respect to controlled items, the Agency is to exercise its control over stocks of armaments rather than over production. It will also ensure that prohibited items are not produced in Germany.

The United States will give the Council of Western European Union information with respect to military aid to be furnished to the forces of the Brussels Treaty countries on the mainland of Europe. This information will be transmitted to the Agency for Armaments Control by the Council. The United States retains full authority to determine the allocation of United States military assistance.

The Agency does not have responsibilities with respect to the production and procurement of armaments or with the allocation of military equipment. However, the Brussels Treaty countries did agree in a resolution approved at Paris October 21, 1954, that they would convene a Working Group in Paris January 17, 1955, to consider proposals for development of rationalized production programs.

XI

The arrangements which I have discussed impose no treaty engagements and obligations upon the United States other than those incident to restoring to the Federal Republic of Germany sovereign powers which the Allies had assumed after the defeat of the Nazi Government; and the acceptance of the Federal Republic as a member of the North Atlantic Treaty. Nevertheless, the prospective attitude of the United States toward the whole arrangement is a matter of profound, even decisive, significance.

In this connection, I made a statement at the London Conference at its meeting of September 29, 1954, the full text of which is reproduced in an annex to the final act of the London Conference, transmitted herewith. By that statement I sought to make clear the desire of our Nation to encourage and support measures which unify and strengthen Western Europe, whereas we would be disposed to draw away from a Europe which persisted in divisions and weakness. In this connection I said that if new arrangements were made by the Western European countries, which, in replacement of the European Defense Community, provided unity and strength, so that the hopes which we had placed in EDC could reasonably be transferred

to these new arrangements, then I would recommend to you, Mr. President, that you should make a declaration of policy comparable to that which you offered, after consultation with congressional leaders, in connection with the prospective European Defense Community Treaty, including an expression of intention by the United States—

to maintain in Europe such elements of its armed forces as may be necessary or appropriate to contribute our fair share of what is needed for the common defense of this North Atlantic area while the threat to that area exists.

I was careful to point out that such a declaration would constitute no more than a policy declaration and that it would not be a legally binding commitment. I pointed out:

under our constitutional system, the President of the United States is Commander in Chief of the Armed Forces of the United States and, as such, has the right to determine their disposition. One President of the United States is not constitutionally able to bind his successor in this matter. Each President of the United States comes into office enjoying the right to dispose of the Armed Forces of the United States as he thinks best serves the interests of the United States in accordance with the advice he gets from his military advisers.

I nevertheless pointed out that basic and fundamental policies were, as a practical matter, not likely to be altered and that our policy to cooperate with a Western Europe which was itself acting effectively to make itself united and strong was, I felt, basic and fundamental United States policy, as both the Executive and the Congress had clearly made manifest.

In pursuance of the statement which I made in London, I expect, Mr. President, to make a recommendation to you as thus indicated, if the arrangements which were entered into at Paris have been, or appear likely to be, realized. I understand that you would be disposed to act favorably on such a recommendation.

XII

It is evident that the foregoing agreements, if they come into force and are implemented, will have far reaching and benign consequences.

They will fulfill the aspirations of the people of the Federal Republic of Germany for a position of equality in the family of free nations.

They will increase substantially the defensive potential of the Atlantic alliance.

At the same time, they will afford protection against excessive militarism as a tool of aggressive

nationalism. This protection will go not only to the members of the Atlantic alliance, but to all.

They will offer strong assurances against a renewal of fratricidal strife among the free nations of Europe and will afford a framework of practical cooperation which should encourage further advances toward political and economic unity among the Western European states.

Because of the importance to this Nation of achieving these results, I recommend, Mr. President, that you request early consideration by the Senate of this matter, and, in particular, the advice and consent of the Senate to the ratification of the two documents of treaty status which the United States has signed, namely, the protocol which will restore sovereignty to the Federal Republic of Germany and the protocol which will admit the Federal Republic of Germany to the North Atlantic Treaty.

Respectfully submitted,

JOHN FOSTER DULLES.

SCHEDULE

- (1) The Final Act of the Nine Power Conference held at London, September 28–October 3, 1954, with annexes;
- (2) three resolutions adopted by the North Atlantic Council on October 22, 1954;
- (3) four protocols to the Brussels Treaty of March 17, 1948, signed at Paris on October 23, 1954, together with the text of treaty itself;
- (4) a declaration dated October 23, 1954, of the states signatory to the Brussels Treaty inviting Italy and the Federal Republic of Germany to accede to the treaty;
- (5) a resolution on the production and standardization of armaments adopted by the Nine Power Conference at Paris on October 21, 1954;
- (6) the Convention on the Presence of Foreign Forces in the Federal Republic of Germany, signed at Paris on October 23, 1954;
- (7) the Tripartite Agreement on the Exercise of Retained Rights in Germany, signed at Paris on October 23, 1954;
- (8) certain letters relating to the termination of the occupation regime in the Federal Republic of Germany, dated October 23, 1954, together with the texts of letters exchanged in 1952 referred to therein; and
- (9) a statement on Berlin made by the Foreign Ministers of France, the United States, and the United Kingdom in Paris on October 23, 1954.

An agreement on the Saar was also signed at Paris by the French Republic and the Federal

Republic of Germany on October 23, 1954. When an authentic English translation of this agreement is obtained, it will be made available to the Senate for its information.

U.S. Protests Sentencing of Americans by Chinese Communists

INSTRUCTION TO CONSUL AT GENEVA¹

Press release 666 dated November 23

The American Consul General at Geneva is being instructed to make the strongest possible protest to the Chinese Communists through the channels established there for exchange of information on Americans in China regarding the sentencing of 11 U.S. Air Force personnel and 2 American civilians to prison sentences ranging from 4 years to life for alleged espionage.

The American Consul General is being instructed to emphatically protest the imposition of jail sentences upon the 11 Air Force personnel ranging from 4 to 10 years on trumped-up charges of being espionage agents. The American Consul General is being instructed to point out that these men, despite the terms of the Korean truce, have already been held in Chinese Communist custody for almost 2 years, despite our repeated representations for their release.

He is being instructed to protest the sentencing of the two civilians to life and 20 years, respectively, on similar trumped-up charges as a most flagrant violation of justice. These men, John Thomas Downey and Richard George Fecteau, were civilian personnel employed by the Department of the Army in Japan. They were believed to have been lost on a flight from Korea to Japan in November 1952.

How they came into the hands of the Chinese Communists is unknown to the United States but the fact of their detention was obviously known by the Chinese Communists and was deliberately

¹ Consul Franklin C. Gowen on Nov. 24 requested a meeting with the Acting Chinese Communist Consul General at Geneva, Shen Ping. The latter did not consent until after the Peiping regime had rejected the U.S. note of protest of Nov. 26. The meeting took place on Nov. 29, at which time Mr. Gowen carried out this instruction.

concealed by them when the possible repatriation of Americans was discussed at Geneva in June of this year. The American Consul General is being instructed to point out in the most vigorous terms that despite these previous discussions the Peiping broadcast of today is the first word we have had that they are held by the Chinese Communists.

The U.S. Government will continue to make every effort to effect the release of these men who have been unjustly "sentenced" to further periods of imprisonment.

The continued wrongful detention of these American citizens furnishes further proof of the Chinese Communist regime's disregard for accepted practices of international conduct.

U.S. NOTE OF NOVEMBER 26

Press release 673 dated November 26

The United States on November 26 delivered through the Foreign Office at London the following note to the Chinese Communist regime's chargé d'affaires there, and also requested that the note be delivered directly to the Chinese Communist regime through the British chargé d'affaires at Peiping.

On the same date Henry Cabot Lodge, Jr., U.S. Representative to the United Nations, transmitted a copy of the note to the Secretary-General with the request that it be circulated to U.N. members.

The United States Government vigorously protests the wrongful action of the Chinese Communist authorities in sentencing on November 23rd eleven members of the United States Armed Forces and two American civilians employed by the Department of the Army to terms of imprisonment on political charges which are without foundation. These Americans were in planes which were attacked over the recognized combat zone in Korea, or over international waters, in the course of the Chinese Communist aggression against Korea. Their detention is in patent violation of the Korean Armistice Agreement.

The sentencing of the members of the United States Armed Forces to penitentiary terms in these circumstances is grossly contrary to the substance and spirit of all recognized international standards as to the protection of prisoners of war. The maltreatment of the two civilian American citizens, whose names were willfully and deceitfully withheld by the Chinese Communist representa-

tives at Geneva last June from the list of American civilians held in Chinese Communist jails, is equally reprehensible.

The United States Government calls upon the Chinese Communist authorities to release these unjustly detained American nationals forthwith, in accordance with the provisions of the Korean Armistice Agreement and in conformity with the elementary precepts of justice and humanity.

The Chinese Communist authorities are under an obligation to redress in so far as possible the wrong they have inflicted on these American na-

tionals and their families. The United States Government reserves the right to claim compensation as may be determined appropriate, and to demand the punishment of the Chinese Communist officials responsible for the denial of the rights of these persons.

The Chinese Communist authorities should bear in mind that the long list of Chinese Communist outrages against American nationals, which the American people have borne with restraint thus far, is significantly extended by the Chinese Communist announcement of November 23rd.

Presentation of Claim Against U.S.S.R. in 1953 Plane Attack

The Department of State announced on October 9 (press release 566) that Ambassador Charles E. Bohlen on that date delivered to the Soviet Foreign Office at Moscow a note from the United States Government to the Soviet Government preferring a formal diplomatic claim against the Soviet Government on account of the destruction of a B-50 aircraft by Soviet aircraft off Cape Povorotny in the international airspace over the Sea of Japan on July 29, 1953. The note demands that the Soviet Government pay damages in the sum of \$2,785,492.94 and invites the Soviet Government, in the event that the Soviet Government denies liability, to join in submitting this dispute to the International Court of Justice. It likewise demands the release of any survivors of the B-50.

Henry Cabot Lodge, Jr., U.S. Representative to the United Nations, on October 11 transmitted the note to the president of the Security Council with the request that it be circulated to members of the Council.¹

On January 26, 1954, following an intensive investigation of the attack on the B-50 aircraft, the United States Government delivered to the Soviet Government a note² requesting certain detailed information with respect to the attack and the var-

ious allegations made by the Soviet Government in prior notes. Among other things, the Soviet Government had alleged that it had evidence to refute the United States Government's contention that the B-50 did not fly over Soviet territory and was attacked by Soviet fighters in international airspace over the Sea of Japan. The Soviet Government was requested to produce this evidence. The Soviet Government having failed to reply to the United States Government's note of January 26, 1954, the United States Government delivered to the Soviet Government another note on May 25, 1954,³ inquiring when a reply might be expected to the note of January 26, 1954. The Soviet Government has made no reply or acknowledgment whatever to either note.

The October 9 note charges that the B-50 was shot down without warning in international airspace over the Sea of Japan. It takes note of the possibility that the Soviet Government may have information of the fate of the missing crew members and again demands that the Soviet Government provide such information as it has and make provision for the prompt return of any survivors whom it may still be holding or of whose whereabouts it may be informed.

¹ U.N. doc. S/3304 dated Oct. 12.

² BULLETIN of Mar. 15, 1954, p. 409.

³ Not printed here.

TEXT OF OCTOBER 9 NOTE

The Government of the United States of America refers again to the destruction on July 29, 1953 by Soviet military aircraft of a United States Air Force B-50 type aircraft off Cape Povorotny in the international air space over the Sea of Japan. On January 26, 1954, following an intensive investigation and study of the incident, the United States Government delivered to the Government of the Union of Soviet Socialist Republics a note requesting certain detailed information with respect to the incident and with respect to the various allegations made by the Soviet Government in prior notes of July 30, 1953,⁴ August 4, 1953⁵ and August 26, 1953.⁶ The Soviet Government having failed to reply to the United States Government's note of January 26, 1954, the United States Government, through its Embassy at Moscow, transmitted another note on May 25, 1954 to the Soviet Ministry of Foreign Affairs inquiring when a reply might be expected to the note of January 26, 1954. The Soviet Government has made no reply or acknowledgement whatever to either note, although far more than sufficient time has elapsed to enable the Soviet Government to make a reply or to state its intentions with respect to such reply. The United States Government must conclude, therefore, that the Soviet Government is fully aware that it is not in a position to make a responsive or adequate reply to the United States Government's note of January 26, 1954.

This circumstance, the United States Government concludes, reinforces and confirms the essential accuracy of the findings of fact resulting from the United States Government's own investigation and study, as well as of the statements made in the various communications of the United States Government to the Soviet Government on this subject, particularly the United States Government's note of August 4, 1953.⁶

The United States Government therefore takes this opportunity to place solemnly upon the record the facts relevant to the Soviet Government's liability and to prefer against the Soviet Government a formal international diplomatic claim for damages as set forth below.

I

The United States Government is prepared to prove by evidence in an appropriate forum, and it charges, the following:

1. Early in the morning of July 29, 1953 a four-engine aircraft of the United States Air Force, of the B-50 type, was duly dispatched from its base in Japan by United States Air Force authorities to perform a routine navigational mission in the air space over the international waters of the Sea of Japan, returning to base in Japan upon completion of the mission. The officers and crew were instructed prior to departure that under no circumstances was the aircraft to fly closer to the Soviet-held land mass than twelve nautical miles.

Upon its departure the B-50 type aircraft had on board a crew of seventeen persons, all members of the United

⁴ BULLETIN of Aug. 17, 1953, p. 206.

⁵ Not printed here.

⁶ BULLETIN of Aug. 17, 1953, p. 206.

States Air Force and all nationals of the United States. They were, as the Soviet Government was informed in the United States Government's note of August 4, 1953, the following:

Stanley Keith O'Kelley - Captain - Serial No. AO 776002
John Ernst Roche - Captain - Serial No. AO 2029268
Edmund Joseph Czyz - 1st Lieutenant - Serial No. AO 2072656
Lloyd Clayton Wiggins - 1st Lieutenant - Serial No. AO 695999
James Gordon Keith - 1st Lieutenant - Serial No. AO 2092926
Warren John Sanderson - 1st Lieutenant - Serial No. AO 2066184
Robert Elbon Stalnaker - 1st Lieutenant - Serial No. AO 761337
John Cyrus Ward - Captain - Serial No. AO 865270
Francisco Joseph Tejeda - Major - Serial No. AO 726704
Frank Ernest Beyer - 1st Lieutenant - Serial No. AO 2093286
Francis Luther Brown - Master Sergeant - Serial No. AF 19 053497
Donald Wayne Gabree - S. Sergeant - Serial No. AF 19 333787
Roland Edgar Goulet - A/1C - Serial No. AF 12 323933
James Edwin Woods - A/2C - Serial No. AF 24413122
Charles Joseph Russell - A/2C - Serial No. AF 13 351658
Donald George Hill - S. Sergeant - Serial No. AF 19 353976
Earl Wilbur Radelin, Jr. - A/2C - Serial No. AF 14 370732

The B-50 aircraft proceeded on a course of approximately 315 degrees from the Japanese Island of Honshu. When it arrived in the air space over the international waters of the Sea of Japan at a point approximately 50 miles from the coastline, the aircraft turned to the right and proceeded on an easterly heading, flying at an altitude of approximately 20,000 feet, the crew carrying out the instructions given them as above stated.

The aircraft had reached a point in the air space over the international waters of the Sea of Japan approximately 40 miles south of Cape Povorotny, flying on a heading of approximately 95 degrees at an altitude of 20,000 feet when suddenly, at approximately 6:15 in the morning local time and without any prior warning whatever, Soviet MIG-15 type aircraft intercepted and fired upon the United States aircraft. One MIG-15 type aircraft commenced the interception and firing by coming up from below and to the left of the B-50 and shooting the No. 1 engine, rendering it inoperative. One or more additional MIG-15 type aircraft thereupon appeared behind the B-50, directed fire on the No. 4 engine and upon the right wing and other portions of the aircraft, and set the No. 4 engine on fire. When the Soviet MIG-15 aircraft appeared from behind, shooting at the B-50, one or more of the personnel on board the B-50 aircraft opened fire in self-defense against the oncoming attacking MIG-15 aircraft, but to no avail.

Immediately upon being hit, the B-50 aircraft dived sharply, losing altitude rapidly. The shots from the rear attack tore off the right wing and the tail section and caused the aircraft to disintegrate. The component parts of the B-50 then hit the water, at approximately the same position at which the interception and attack took place.

The total time which elapsed between the commencement of the attack until the component parts of the aircraft hit the water was approximately two minutes.

Upon the B-50's first becoming disabled, in consequence of the actions of the MIG-15 aircraft against it, the members of the crew of the B-50 were directed by the aircraft commander, Captain Stanley K. O'Kelley, to abandon the aircraft and to seek safety by bailing out of the aircraft. The United States Government is informed and believes that, apart from First Lieutenant James Gordon Keith, all members of the crew above named bailed out of the aircraft, or parachuted, into the Sea of Japan, all coming down at points within the area of the Sea of Japan approximately 40 miles south of Cape Povorotny.

The United States Government finds, and charges, that all the actions of the MIG-15 type aircraft above described were taken upon the deliberate and willful orders of competent Soviet authorities.

When the B-50 failed to return to its base at the time required for its return, and could not be otherwise accounted for, the competent United States authorities commenced and conducted a meticulous and thorough search of the area by aircraft and by surface vessels of the United States Government and with the assistance of a naval vessel of the Australian Government in the area. The search of the Sea of Japan off Cape Povorotny succeeded in the sighting in the international waters of several survivors and disclosed the active presence in the same area of Soviet PT-type boats, trawlers and aircraft. One of the search aircraft dropped a lifeboat to a group of survivors but only Captain John E. Roche, the co-pilot, was able to reach the lifeboat and get into it. Intermittent fog hampered the rescue efforts and no other personnel could be rescued by the United States and Australian surface vessels. When the weather in the area cleared up, by dawn of July 30, 1953, no evidence of survivors, other than Captain Roche, could be seen in the international waters of the Sea of Japan by the air or surface rescue craft.

2. The United States Government finds, and charges, that in direct consequence of the Soviet Government's actions above described, the following took place:

- a. The B-50 aircraft was totally destroyed.
- b. First Lieutenant James Gordon Keith, navigator situated in the nose of the aircraft, was thrown from his position and mortally wounded, so that he was unable to bail out from the aircraft, and died.
- c. Captain Stanley K. O'Kelley, the aircraft commander, although he succeeded in bailing out from the aircraft to the waters of the Sea of Japan, was badly injured and shocked as a direct result of the shooting by the MIG-15 aircraft, and died as a result of these physical injuries and shock and of his exposure for approximately twenty hours in the Sea of Japan.
- d. Master Sergeant Francis Luther Brown, flight engineer, although he succeeded in bailing out from the aircraft to the waters of the Sea of Japan, was badly injured and shocked as a direct result of the shooting by the MIG-15 aircraft, and died as a result of these physical injuries and of shock and of long exposure in the Sea of Japan.
- e. Captain John Ernst Roche, the co-pilot, was thrown headlong into the body of the aircraft, suffering numerous bodily injuries and shock as a direct result of the shooting by the MIG-15 aircraft but he succeeded in bailing out from the aircraft. He suffered further shock and expo-

sure in the Sea of Japan from approximately 6:17 in the morning local time, July 29, 1953, to approximately 4:20 in the morning local time July 30, 1953. He was rescued from the waters of the Sea of Japan by a search vessel of the United States Navy.

f. The remaining thirteen members of the crew have not so far been accounted for. The United States Government finds, however, that all of them suffered bodily injury and shock as a direct result of the shooting by the MIG-15 aircraft. It finds further that a number, if not all, of them successfully parachuted to the surface of the Sea of Japan in the area above described in which the attack and destruction of the B-50 took place. It must conclude that these persons were either picked up alive by surface vessels of the Soviet Government in the area in which they hit the water, or that in due course, dead or alive, they were carried by the prevailing currents to Soviet-held territory and into the Soviet Government's custody. Those dead, the United States Government finds and charges, were brought to their death by the injuries caused in the course of the attack on the B-50 aircraft, by shock and by exposure in the waters of the Sea of Japan. Those that were alive when they came into the custody of the Soviet Government, the United States Government finds and charges, suffered in addition injuries and anguish caused by their long detention by the Soviet Government, by the failure of the Soviet Government to inform the United States Government with respect to their whereabouts and their condition or to permit them to communicate with United States Government authorities.

These conclusions are based on the following considerations:

(i) As the United States Government has previously indicated, personnel on board search craft of the United States Government observed at least twelve Soviet PT-type boats, at least one armed trawler-type Soviet naval vessel, and Soviet aircraft, proceeding at high speed to and from the area of the scene of the incident. Other surface vessels of Soviet nationality were in the vicinity. These observations were made as late as 3 o'clock in the afternoon local time July 29, 1953. In view of the failure of the Soviet Government to make responsive reply to questions of the United States Government in its note of January 26, 1954 on this subject, the United States Government is confirmed in its conclusion, and it charges, that these Soviet craft picked up survivors and portions of the disabled B-50 aircraft.

(ii) The prevailing currents of the Sea of Japan at the positions above mentioned and at the date of the incident, which are well known to the Soviet Government, move toward the coast, in a northerly and northwesterly direction at a rate of approximately 0.7 to 1.1 knots. Even if the Soviet Government did not have these crew members in custody, dead or alive, earlier, it must have become aware of their arrival in Soviet territorial waters or on Soviet soil by August 1, 1953.

3. The B-50 aircraft at the time of the attack upon it and its destruction, and the navigational and flying equipment thereon, were in efficient and good working order. Each member of the crew was efficient and experienced in the performance of his task. In particular, Captain O'Kelley, the aircraft commander, was an efficient and experienced pilot; Captain Roche was an efficient and experienced co-pilot; First Lieutenant Czyz, First Lieutenant Wiggins and First Lieutenant Keith were efficient and experienced navigators.

II

The United States Government finds as a result of its investigation that in its notes above mentioned the Soviet Government willfully and knowingly made material mis-

statements of fact for the purpose of creating an untrue record and of misleading the United States Government. These misstatements of fact are most explicitly made in the Soviet Government's note of August 26, 1953 on this subject, which substantially reiterates the misstatements contained in the Soviet Government's earlier notes on the same subject:

1. The Soviet Government states that the B-50 aircraft at about 6 a. m. local time "violated the state boundary of the USSR, at first in the region of Cape Gamov, and continued the flight over the territory of the USSR at Askold Island not far from Vladivostok". But the Soviet Government has refused, although duly requested, to state where the boundary, which it claims, runs in this region. The United States Government must therefore conclude, as it has found, that the B-50 aircraft at no time crossed into territory of the Soviet Union in this area but, on the contrary, flew entirely in the air space over the international waters of the Sea of Japan.

2. The Soviet Government states that two Soviet fighter aircraft approached the B-50 with the intention of showing the B-50 that it was within the boundaries of the Union of Soviet Socialist Republics and with the intention of suggesting that the B-50 leave the air space of the Soviet Union. This statement must be characterized as false, as well as misleading, since the first intimation which the crew of the B-50 had of the approach of any aircraft was the destruction of the No. 1 engine on the B-50 by fire directed from one of the Soviet MIG-15 type aircraft, which had appeared without any warning whatever to the left and from below the B-50 aircraft. This fact and the shooting which immediately followed directed by MIG-15 type aircraft coming up without warning from behind the B-50 aircraft conclusively demonstrates that it was the intention of the MIG-15 interceptors, and of the competent Soviet authorities who dispatched them and controlled their actions, to give the crew of the B-50 aircraft no warning whatever but, on the contrary, to effect the B-50's destruction without any warning or opportunity to the crew to disengage or to defend themselves.

3. The Soviet Government's statement permits the implication that the interception of the B-50 by Soviet aircraft took place within the air space over Soviet territory. This statement is false also. As has been stated above, the interception as well as the attack took place approximately forty miles south of Cape Povorotny and in the air space over the international waters of the Sea of Japan.

4. The Soviet Government states that fire was first opened by the B-50, being directed against the intercepting Soviet aircraft. This statement is false. As the United States Government has stated above, the B-50 aircraft did not open fire until after two firing passes had been made by the Soviet intercepting aircraft. The first MIG-15 type aircraft, which as stated above without warning destroyed the No. 1 engine, flew away unscathed. When immediately thereafter one or more MIG-15 type aircraft appeared from behind, the MIG aircraft were firing and the gunners on board the B-50 were compelled in self-defense to open fire against the MIG aircraft so firing upon the B-50.

5. The Soviet Government states that the attack took place at 6:12 in the morning local time. The United States Government charges that this statement is untrue and is known by the Soviet Government to be untrue. The United States Government has found that the interception and attack took place not earlier than 6:15 in the morning local time, if not later. By this time the B-50 aircraft, as the Soviet authorities well knew, had reached a point approximately forty miles off the Soviet land mass at its closest proximity.

6. The Soviet Government states that one of the Soviet aircraft was seriously damaged by fire from the B-50 in consequence of which the Soviet aircraft was compelled to fire upon the B-50. This statement is misleading as well as false. Even if, contrary to fact, the B-50 gunners had opened fire on the MIG aircraft appearing from the rear, the destruction of the No. 1 engine by the MIG aircraft which appeared first and the hostile attitude of the MIG aircraft appearing in the rear would have justified the B-50 gunners in opening fire on the MIG aircraft.

7. The Soviet Government states that after the Soviet aircraft fired on the B-50 the B-50 "departed in the direction of the sea" and that the Soviet authorities have no further information regarding the American military aircraft. This statement must be characterized as false as well as misleading. As stated above, within seconds after the Soviet aircraft hit the right wing and fuselage the B-50 disintegrated and fell into the sea. The pilots of the Soviet aircraft could not but have seen the consequence of their actions and reported it to the competent Soviet authorities. The United States Government notes that the Soviet Government admits that the pilots upon returning to base, if not earlier, reported what they had done and what had happened.

8. The Soviet Government indicates that it has "verified data", presumably including reports of ground observers as well as the testimony of the pilots of the Soviet aircraft involved, and that these data "refute the statement that the American airplane B-50 did not violate the boundary of the USSR and was attacked by Soviet fighters over the Sea of Japan". The Soviet Government, although duly requested in the United States Government's note of January 26, 1954, has failed and refused to produce these supporting data. The United States Government is compelled to conclude that such data as exist do not support the Soviet Government's conclusion and that these statements are therefore false.

9. The Soviet Government states that, contrary to the allegations contained in the United States Government's notes, there were no Soviet surface ships on July 29, 1953 in the area of the Sea of Japan in which the shooting incident took place, and it further implies that the weather conditions of fog and darkness were such that the observations of the crews of search craft reported in the United States Government's notes were not in fact made. These statements, as above indicated, are false and misleading. The weather, during the hours of daylight, was in fact foggy but at the low altitudes at which the search aircraft flew, and on the surface of the sea at which the naval craft proceeded, there was as the Soviet Government well knows intermittent visibility permitting the ob-

servations which were made and which were reported by the United States Government.

10. The Soviet Government states that "as a result of investigation, it has been confirmed that the Soviet authorities have no information concerning the crew of the American bomber B-50". For the reasons above stated this statement must be characterized as false and misleading.

III

The United States Government finds and it charges that the foregoing actions of the pilots of the Soviet aircraft and of the competent Soviet authorities made the Soviet Government guilty of deliberate and willful violations of international law, on account of which it has become liable to the United States Government for damages and other amends:

1. Since the Soviet Government has evaded the questions in the United States Government's note of January 26, 1954 on this subject, the United States Government declares that the limit of the territory of the Soviet Government in the area of the incident extends no further than three nautical miles from the mean low water mark of the shore line of the Soviet-held land mass in this area, following the sinuosities of the coast and the sinuosities of each of the Soviet-held islands. While the United States Government in instructions to its personnel has prohibited any overflying aircraft or seagoing craft from coming closer than twelve miles to Soviet-held territory in traversing the international waters of the Sea of Japan or the air space above, the United States Government takes this opportunity again to inform the Soviet Government that it does not recognize the claim of the Soviet Government to territorial waters in excess of three miles from its coast. In the opinion of the United States Government there is no obligation under international law to recognize claims to territorial waters in excess of three miles from the coast.

2. In the circumstances of the case it was the duty of the Soviet Government to make every effort, following the wrongful destruction of the B-50 aircraft, to search for and pick up members of the crew, dead or alive, to cooperate with all other searching aircraft and surface craft in such search and rescue operations and promptly to turn over to authorities of the United States Government rescued personnel, the bodies of any dead personnel picked up and any portions of the aircraft salvaged, or to make arrangements for their prompt delivery to the United States Government. The failure of the Soviet Government to do so constitutes violation of international obligations.

3. It was the duty of the Soviet Government to make truthful statements to the United States Government in the notes above mentioned which the Soviet Government delivered to the United States Government in connection with this incident. The willful making of false or misleading statements in these circumstances constitutes a violation of international obligation.

4. The continued detention of survivors by the Soviet Government, and the failure of the Soviet Government immediately upon receipt of information at any time from its own sources of the observation of bodies of any of the

crew members, constitute violations on the part of the Soviet Government of international obligation.

5. Any shooting by the crew of the B-50 at the MIG aircraft, in the circumstances of the case, was lawful as an exercise of the right of self-defense. The B-50 having been fired upon and hit without prior warning, the crew of the B-50 were justified in the exercise of self-defense in shooting at the approaching MIG aircraft.

IV

The United States has suffered the following items of damage in direct consequence of the foregoing illegal acts and violations of duty and international legal obligations, for which the Soviet Government is liable, and the United States Government demands that the Soviet Government pay the following sums on account thereof:

1. United States Air Force airplane B-50 type No. 47-145A and equipment thereon, amounting in total to \$1,468,908.56.

2. Damages to the United States by the willful and unlawful conduct of the Soviet Government \$491,584.38.

3. Damages to Captain John Ernst Roche, a national of the United States, for injuries to him, \$25,000.00.

4. Damages to the next-of-kin, nationals of the United States, for the deaths of Captain Stanley Keith O'Kelley, Master Sergeant Francis Luther Brown, First Lieutenant James Gordon Keith, \$150,000.00.

5. Damages to the next-of-kin, nationals of the United States, of the remaining thirteen crew members for all injuries resulting from the willful and unlawful conduct of the Soviet Government, including the wrongful deaths of such crew members or the wrongful and unlawful detention by the Soviet Government of such members of the crew as survived, \$650,000.00.

The United States Government declares that its demand for compensation on account of the members of the crew who survived does not imply the acquiescence of the United States Government in the withholding of those crew members from return to the United States, or the suppression by the Soviet Government of information regarding their whereabouts or welfare, or the making of false statements by the Soviet Government with respect thereto. The United States takes this opportunity again to demand that the Soviet Government forthwith provide the information in this regard which the United States Government has already requested, and make provision for the prompt return of any crew members whom it may still be holding or of whose whereabouts it is informed, and in the interim to provide such crew members with the maximum degree of care and comfort and facilitate access to them by appropriate representatives of the United States Government. The United States Government further declares that such demand for compensation with respect to members of the crew whose bodies came into the custody of Soviet authorities but who were no longer alive does not imply the acquiescence of the United States Government in the failure of the Soviet Government to inform the United States Government of such facts or to turn over such bodies to the United States Government. The United States Government further reserves the right to make additional demand upon the Soviet Government for amends or other actions on account of its conduct on

or since July 29, 1953 with respect to such survivors or such dead crew members.

Furthermore, the United States Government has not included in its demand for damages, specified above, any sum on account of items of intangible injury deliberately and intentionally caused to the United States Government and to the American people by the wrongful actions of the Soviet Government. In this regard the United States Government had determined to defer to a future date the formulation of the kind and measure of redress or other action which the Soviet Government should take which would be appropriate in international law and practice to confirm the illegality of the actions directed by the Soviet Government against the United States Government and against the American people.

The Government of the United States calls upon the Union of Soviet Socialist Republics promptly to make its detailed answer to the allegations and demands made in this communication.

Should the Soviet Government in its answer acknowledge its indebtedness to the United States on account of the foregoing and agree to pay the damages suffered and to comply with the demands as above set forth, the United States Government is prepared, if requested, to present detailed evidence in support of its calculations of damages suffered and alleged. If, however, the Soviet Government contests liability, it is requested so to state in its answer. In the latter event, the Soviet Government is hereby notified that the United States Government deems an international dispute to exist falling within the competence of the International Court of Justice and that the United States Government proposes that that dispute be presented for hearing and decision in the International Court of Justice. Since it appears that the Soviet Government has thus far not filed with that Court any declaration of acceptance of the compulsory jurisdiction of the Court, the United States Government invites the Soviet Government to file an appropriate declaration with the Court, or to enter into a Special Agreement, by which the Court may be empowered in accordance with its Statute and Rules to determine the issues of fact and law which have been set forth herein.

The Soviet Government is requested to inform the United States Government in its reply to the present note of its intentions with respect to such a declaration or Special Agreement.

Albanian Independence Day

Statement by Secretary Dulles

Press release 671 dated November 27

November 28 marks the anniversary of the two historic events most cherished by the Albanian people: the first proclamation of Albanian independence in 1443 and the reemergence of Albania as an independent nation in 1912.

The traditional friendship of the United States for the people of Albania has sprung from a natural American sympathy with Albanian aspirations for liberty. Since World War I, this sympathy has expressed itself in important actions of support by the United States for the sovereign independence of the Albanian nation and for the welfare of its people. Whenever contacts between Americans and Albanians occur, we are reminded that the Albanian people retain a keen appreciation of past evidences of U.S. interest and that, in consequence, a special bond of understanding between the peoples of the two countries has been firmly established.

The present sufferings of the Albanian people under Communist oppression and their strong desire to be rid of this alien yoke are matters of deep concern to the United States. The American Government and people recognize the right of the Albanian people to a sovereign national status, to genuinely democratic institutions, and to a government of their free choice. During the past few years, the United States has noted with satisfaction declarations by official spokesmen of the neighboring countries in support of a free and independent Albania. Americans look forward to the ultimate resumption by Albania of its rightful place in the community of nations, and the U.S. Government will not cease its advocacy of this goal.

Economic Cooperation in the Americas

*Statement by George M. Humphrey
Secretary of the Treasury*¹

I am happy to participate in this Meeting of Ministers of Finance and Economy. Many of us have met on other occasions, most recently at the annual meetings of the International Bank and International Monetary Fund 2 months ago.² I am delighted to extend my acquaintance with you and to meet with you here.

Just before leaving Washington we discussed with President Eisenhower the views of the United States delegation on the problems we shall discuss here. He emphasized to us his deep interest in this historic meeting and asked that we convey a personal message to our colleagues here. With your kind permission I shall read it:

I am very pleased to send greetings and best wishes to the Meeting of Ministers of Finance and Economy of the American family of nations, convened in Rio de Janeiro, the capital of our great sister nation, Brazil. I am happy to send this message through our Secretary of the Treasury, Mr. Humphrey, who, as Chairman of the United States Delegation, speaks for our nation and will authoritatively present our policies.

I am confident that this conference will advance still further the unique relationships which have developed among the peoples and nations of this hemisphere. As those relationships evolved and grew, the people of the United States learned to call their own attitude toward their sister nations the policy of the good neighbor. Today, the bonds which unite us as sovereign equals who are working side by side for the betterment of all of us—nations and citizens—have elevated this neighborly relationship to one of genuine partnership.

No longer is it sufficient to maintain the mutual respect and cordiality of neighbors, useful and pleasant as that

is. In the world of today, the well-being and the economic development—as well as the security—of all peace-loving nations are so closely interrelated that we must be partners. If this is true in the larger context, it is especially true among the American republics where we share the same traditions and many of the same favorable circumstances for progress.

As the conference discusses a wide variety of measures for economic and financial cooperation in this hemisphere, and endorses those that are sound and durable, I earnestly hope that the meeting as a whole may join with the delegation of the United States in common dedication to the policy of the good partner.

To this may I add my best wishes for the success of the conference and warm personal greetings to each of its members.

Let me say that every member of the United States delegation shares those convictions.

While this gathering was called in response to a resolution of the Tenth Inter-American Conference held in Caracas earlier this year, this Conference is in reality the realization of a desire expressed repeatedly throughout the rise and development of the inter-American system. It is the desire to strengthen the continental economy so as to benefit all the nations that share the hemisphere.

That desire was first manifested in the act of the United States Congress that convened the first Pan American Conference in Washington 65 years ago. The same desire created the Pan American Union, which has now become the Organization of American States. Today it finds expression in the statutes of the Inter-American Economic and Social Council which provide that it shall “promote the economic and social welfare of the American nations through effective cooperation among them for the best utilization of their natural resources.”

We are not gathered here, then, because of an

¹ Made before the Meeting of Ministers of Finance and Economy at Quitandinha, Brazil, on Nov. 23 (Treasury Department press release).

² For a statement made by Mr. Humphrey at a joint session of the Boards of Governors of the Bank and Fund, see BULLETIN of Oct. 11, 1954, p. 548.

emergency situation, nor is this meeting an impulse of the moment. It is not an isolated or disconnected event in inter-American relations; but it is a new endeavor, one more step in the search for economic cooperation and solidarity toward which your countries and mine will continually strive.

We have come here with the same spirit of cordial solidarity with which the delegates of our nations arrived in this city of proverbial hospitality for the Third Pan American Conference. To describe it I shall borrow the eloquence of a great fellow countryman, Elihu Root, at that time Secretary of State, who said:

I bring from my country a special greeting to her elder sisters in the civilization of America. . . . There is not one of all our countries that cannot benefit the others; there is not one that cannot receive benefit from the others; there is not one that will not gain by the prosperity, the peace and happiness of all.

And so it is today. Our country is part of the inter-American system; our Secretary of State, John Foster Dulles, recently affirmed that this is the cornerstone of our foreign policy.

We take our places with pride in this association of states which has established the complete equality of all members, has consecrated the principle of nonintervention, and has built a juridical system that has put an end to war among American nations.

We have bound ourselves, moreover, by pacts that stipulate that an attack on one American nation is an attack on all of them, and that any threat to the political integrity of one is a threat to all.

Our presence here at this Conference is a declaration that we also consider economic solidarity as part of the common defense.

None of us expects that we can at this meeting solve all of the economic problems of a hemisphere. But we can confidently expect that 21 nations, each motivated by a deep and brotherly interest in the welfare of every other, can accomplish enough here to convince us all that our efforts were richly rewarded, that our accomplishments justify our looking forward to future meetings.

We all have our own ideas as to how the economic interests of the entire continent could be promoted. We in the United States naturally subscribe to those principles that in our own country have proved effective in raising the living standards of the people and promoting the prosperity of the Nation. We shall present them here

with the same friendly frankness with which we are ready to listen to the opinions of other delegations.

No one of us alone has the wisdom and experience necessary to solve all our problems. That is what this Conference is for: to exchange ideas, to draw closer together, to arrive at a promising and practical basis for cooperation, and to pave the way for constructive steps toward our goals.

It is with that spirit that my country's delegation has come to this Conference. We look forward with great interest to hearing your views, and we welcome the opportunity to lay before you our ideas on the problems that now engage our mutual attention.

But we shall never lose from sight the hemispheric interest, the welfare of the American family of nations, the need to fortify the inter-American system that past generations have bequeathed to us and that it is our duty to pass on, intact and improved, to future generations. When we shall have finished our work here, it should be possible to speak of this meeting in the same words as those used by a great American, the Baron of Rio Branco, in commenting on the Third Pan American Conference, when he said:

Here concessions represent conquests of reason, amicable compromises or compensations counselled by reciprocal interests.

We would first hope for a clear definition of the economic goals toward which we shall press. We are profoundly aware that we are here not so much as representatives of political entities; instead we are here as the spokesmen for 330 millions of men, women, and children whose problems, whose sufferings, and whose aspirations must constantly be present in our thoughts and in our deliberations. When we speak of economic development, international trade, and the other subjects of our agenda, we must be mindful that each is significant only in so far as it has a direct relation to our peoples, to their families, to their homes, and to their work.

I believe that we are capable of putting into words here at this meeting just what it is that our people would have us accomplish, and I believe that we can adopt that definition as our goal. It seems to us that the men and women of the Americas, living as they do among our mountains, on our plains, and along our seacoasts, are united and clear in their aspirations. They do not ask the

impossible, but they do demand of us, who as government officials are their servants, that we promote those conditions which will give maximum assurance that everywhere in our Americas man has an opportunity to better himself, give his children even greater opportunities, and enjoy meanwhile those freedoms which we have achieved in the Americas and which are denied to so many millions elsewhere in the world.

I believe that we must face another problem in which our people are vitally interested. All of us are exposed to an insidious disease that stealthily robs us of our strength. It is the evil of inflation which makes the prices of food, of clothing, of all the necessities of life climb upward in a grim spiral which again and again snatches away the benefits of progress.

Our goal must be twofold—to unite our efforts to achieve the kind of economic development that means higher living standards for our people, and to take those wise and prudent measures which will avoid the evil of inflation. If here we make progress toward these goals, we shall have earned the gratitude of our people.

This is a goal that is achievable in the Americas. God has endowed this hemisphere with abundant and varied natural resources, with vast and fertile lands that are capable of affording an ever better life to our rapidly multiplying peoples. There is peace throughout our hemisphere. In a troubled world ours is a situation so privileged, so favorable, that it becomes our duty to examine critically the responsibilities that must accompany such advantages. Each of us singly and all of us jointly must strive to accomplish those things which will best and most effectively employ these lands and those resources to benefit our peoples.

Our agenda is admirably fashioned to help us appraise not only our place today on the road which has already brought us so far toward our goal, but also the measures which we can take jointly and severally to hasten our progress on that road. It is our conviction that to accomplish this purpose two basic principles should underlie all our thinking. The first is our belief that the road which will lead most surely and most directly to the goals which we seek is that of the vigorous free enterprise system. This system in its modern form builds new industries, new enterprises, and opens new areas to development. And it does all these things without endangering those free insti-

tutions which are the very foundation of the social and human progress which we have achieved in this hemisphere.

The other is our belief that we as governments should reduce to a minimum the scope and the duration of our own intervention in the fields of commerce and industry. We best serve our people when we encourage them to produce the goods and services required for our progress, when we stimulate them to bring new regions and new resources into productive use, rather than when we compete with them or otherwise take over the functions of private enterprise. Government intervention deprives the people of the full benefits of their earnings. Experience has demonstrated that almost without exception, in my own country and elsewhere, such intervention lowers production and raises costs.

We shall support and defend the right of every state to define its own economic course. Our own belief in the principles I have stated derives from the fact that wherever they have been applied in the Americas and elsewhere in the world they have brought improvement in the lives of our peoples, improvement that can be measured in terms of lower costs; greater per capita income; higher production; improvement that is visible in new factories, industries, and increased agricultural production; and intensified conversion of idle and undeveloped natural resources into jobs and usable wealth. These are the marks of vigorous, expanding, and self-reliant economies. These are the economic ends that we pursue.

The detailed discussion of each agenda item is the function of our committees. I would like, however, to say a word or two regarding our views on some of the more vital ones.

U. S. Views on International Trade

The first is international trade. We intend to the utmost of our ability to maintain a strong, healthy economy in the United States. This will insure a growing volume of trade with your countries at a steadily increasing level of demand. This will help sustain a high level of demand for the world's goods and so foster trade on a mutually beneficial basis. My Government is convinced that a strong, stable, and expanding international trade is the best single guaranty of economic strength in our hemisphere.

We are happy to see that our trade with each

other is a most important and growing factor in the international commerce of every American State. It is in the interest of each of us that this wholesome interchange be strengthened and expanded. For your economic development you count heavily upon markets in the United States for your products. We value just as highly the strong markets which you afford for our own agricultural and manufactured exports. We hope to see our inter-American trade, which has increased so greatly in recent years, further expanded and the markets available to producers in all our countries strengthened by the gradual elimination of those artificial barriers that hinder access to them. Such a trade policy will increase mutually beneficial trade. This emphasis on expanding trade opportunities continues to be a fundamental part of President Eisenhower's foreign economic program, which it is his announced intention to press in the forthcoming session of the Congress in January.

Our tariffs on imports from Latin America are low. Two-thirds of all our imports from this area are on the free list, and tariffs on the remaining third are among the lowest in the world.

We have also made marked progress in freeing imports into the United States from unnecessary and cumbersome customs requirements. Our Congress passed customs simplification acts in 1953 and again in 1954. The first authorized the Treasury to eliminate many technical requirements which were a burden on imports. The act passed this year continued this program and also directed the Tariff Commission to undertake a study of our complicated tariff classification structure with a view to its clarification.

These congressional steps have been accompanied by an intensive management-improvement program and by administrative simplification within the framework of existing law, both contributing to speedier customs action. We are continuing our efforts along these lines and plan to submit to the next Congress further legislative proposals consistent with the President's program of last March. As an example of the progress we are making, just a few weeks ago we announced a further relaxation of requirements for consular invoices³—an action made possible by the 1953 simplification act.

³ *Ibid.*, Nov. 22, 1954, p. 779.

The problem of international trade is closely related to that of prices. We are aware of your intense and very understandable interest in this problem as it relates to the prices for your products sold in world markets. We share that interest, not only because of the importance to you of adequate and stable prices but also because our own producers suffer when the prices of their exports fluctuate widely.

Our experience convinces us that if we as governments follow policies which will give our producers everywhere maximum assurance that consumption of their products will enjoy a steady and healthy growth and that their access to international markets will be facilitated, then we will have gone far toward solving this basic problem of prices which so concerns us all.

Financing Economic Development

The subject of financing for economic development is one of the most important which we shall consider. My Government has devoted much study to its policies in this field and, within the framework of the general principles to which I have referred, has reached certain decisions of whose nature you are already aware and whose effect we believe will prove to be far reaching.

When we speak of the great need for economic-development financing in this hemisphere, what we are really saying is that throughout our countries there are profitable and attractive opportunities for the establishment of productive enterprises that will provide steady employment to our people, that will provide more of the goods and services which we need for higher standards of living, and that will diversify our economies. These opportunities cannot be converted into realities without capital, technical knowledge, and experience. As governments, we owe it to our people to promote those conditions which will help make available the capital and technical knowledge required.

I think that every one of us here can agree that in this field our greatest opportunity and our greatest responsibility lies in creating in our several countries those conditions which will give maximum access to the great reserves of private-investment capital that are available throughout the world. The reason is obvious. The aggregate amount of private capital that is available today in

your countries, in mine, and in the rest of the world is many times greater than any that we as governments could possibly provide. Economic development in those countries which have successfully established access to the world's supplies of private capital is going ahead with a rapidity that is astonishing.

We all recognize that the movement of private capital cannot be forced; that private investors of all nationalities enter only where the circumstances are attractive. So numerous are the investment opportunities throughout the free world today that he who seeks investment capital must compete for it. But here again the position of Latin America is privileged and fortunate. Throughout your countries there are challenging and attractive opportunities for new investments such as are found only in young and rapidly developing economies. These factors give you very real advantages in competing for investment capital.

It is easy to understand, therefore, why the American States whose governments have established those conditions which have always proved attractive to private investors everywhere in the world have experienced little difficulty in finding ample supplies of capital, both domestic and foreign. This has been demonstrated so dramatically that there can be no longer any doubt but that in this favored area of the world, where nature has done its part so well, each government can, if it will, attract a volume of private investment that will compare most favorably with that of any other area of the world.

One of the things which our governments must do to encourage free enterprise is to insure that those projects necessary for economic development, but for which private capital is not reasonably available, are adequately supported by public investment. We view this as a necessary support to an economy which relies principally upon private enterprise as supplementing and encouraging, rather than as displacing, free enterprise. I am sure that each government will shoulder as much of its burden as it reasonably can, but we agree with you that substantial foreign lending will be necessary if we are to achieve our goals in this hemisphere. We shall do our part generously and loyally in meeting that need.

To that end we have reviewed the whole scope of our public-lending policies and have arrived at certain changes which we consider significant.

Changes in U.S. Lending Policies

The first relates to the United States Export-Import Bank, whose activities are to be intensified and expanded.

This past summer, the Congress of the United States by specific legislation increased the lending authority of the bank from \$4½ billion to \$5 billion, in anticipation of its increased lending activity. In his report to the Senate on this legislation, Senator Capehart, Chairman of the Banking and Currency Committee, stated:

The Export-Import Bank has played an important role in our foreign economic policy and must continue to do so on an activated scale. Promotion of trade among the free nations of the world, and in particular, with the nations of the western hemisphere, is of utmost importance to the common welfare, the common defense, and the solidarity of the free world.

Within the last few months the Export-Import Bank has authorized loans of \$130 million to nations in this hemisphere, and other important loans are under consideration. The loans which have been authorized will help two important Latin American cities develop municipal waterworks systems and will make possible the development of one of the world's largest copper deposits. The bank has made loans to finance the sale in Latin America of machine tools, of aircraft, of electric equipment, of textile equipment, and of wheat. It has facilitated the development of sulphur production. The range of its activities has been as wide and varied as the production process itself, from the extraction of basic materials to the fabrication of complex industrial products. Since its organization the Export-Import Bank has authorized loans in excess of \$2¼ billion to Latin America.

Within the past few weeks, the Export-Import Bank has opened up new sources of credit for the countries of Latin America that wish to import equipment from the United States. With the assistance of lines of credit from the Export-Import Bank, United States exporters will be able to offer medium-term credit on equipment of a productive nature. This program will be in addition to long-term capital and should help to accelerate the flow of trade and ease temporary credit problems.

In addition, a large New York bank announced last week that it proposes to form a multimillion dollar export financing company. The Export-Import Bank will also participate in this new

venture. This enterprise will add further to the supplies of medium-term credit available to Latin American importers of capital goods.

In the field of economic development, of course, the International Bank has a primary role to play in helping to promote the economic growth of the American Republics. Most of the countries represented here were founding fathers of the International Bank. Your countries and my own participated in its establishment, and we have contributed importantly to its personnel and capital. The International Bank is our common institution. It was established to carry the major burden of financing reconstruction and development loans at a governmental level. While the International Bank in the early postwar years was primarily concerned with reconstruction, it has accelerated the tempo of its operations and has, more recently, concentrated its major efforts on economic development. The International Bank has financed a steady succession of high-priority development projects in Latin America. The total now exceeds \$500 million for the last 5 years. Its first development loan was in Latin America, and today its investment in this hemisphere is greater than in any other developing area. Its loans have been made primarily for basic facilities and public works on which further fruitful investment depends: for electric power, for transportation, and for communication facilities. The loans of the International Bank are important not only in themselves but in their secondary effects. Electric-power installations, new road and communication systems, new port facilities, all have encouraged new industries and lowered costs. Development is a cumulative process, setting in motion innumerable individual efforts with multiplying effect.

In his report to the Conference, Eugene Black, President of the bank, states:

It is my personal judgment that, given a continuance of present trends in Latin America, there is every reason to expect expanded lending activity by the bank in that area during the period which lies ahead. The bank has the resources to do so and it has the will to do so. The extent to which it may be able to translate its will into action depends largely on conditions within the control of the Latin American countries themselves.

At the meeting of the Board of Governors of the International Bank last September, representatives from many of the American Republics

strongly urged support for the establishment of an international finance corporation to encourage private investment. The subject has been under study for several years.

Proposed International Finance Corporation

The matter has been given most careful consideration by the United States Government, and we are going to ask the Congress to support United States participation in such a corporation.⁴ We have in mind an institution organized as an affiliate of the International Bank, with an authorized capital of \$100 million to be contributed by those members of the International Bank who wish to subscribe.

The corporation would be able to make loans without the guaranty of member governments. It would not directly provide equity financing. It would, however, be empowered to hold securities bearing interest payable only if earned, as well as debentures convertible into stock when purchased from the corporation by private investors. In that way it would operate in the area of venture capital without holding equity right of control. It would not compete with the International Bank or the Export-Import Bank, and indeed it would facilitate private investment.

If the international finance corporation is established, we shall then have three major financial institutions to help promote economic development. We shall have the Export-Import Bank that has had a long history of useful work in Latin America and whose activities are to be intensified. We shall have the International Bank, in which we are partners, to help finance basic resource development. We shall have an international finance corporation in which we would work together to assist and encourage private enterprise.

In the spirit of the resolution on private investment and taxation adopted at the Caracas Conference, the United States continues to explore feasible measures to remove tax impediments to increased foreign investments. The administration and the Congress, as well as numerous private groups in the United States, have given the matter intensive study. This has disclosed the complexity of the problems involved. In the light of this experience, the administration will again sub-

⁴ For the Treasury Department's announcement of Nov. 11, see *ibid.*, Nov. 29, 1954, p. 814.

mit to the Congress proposals with respect to the reduction of taxation of foreign income along the general lines recommended by the President last year. We trust these proposals will find acceptance by the Congress.

We desire to complement these unilateral legislative steps with bilateral tax treaties. To that end, we are prepared to explore with individual countries the possibilities of the tax treaty as a medium for creating a more favorable tax climate for international trade and investment. For example, one of the matters which might be considered in treaty discussions is how the United States might give recognition to tax concessions made to foreign capital by the country where the investment is to be made. Under proper safeguards, we would be prepared to recommend giving credit for general foreign income taxes which are waived for an initial limited period as we now grant credit for taxes which are imposed. Such a measure as this will give maximum effectiveness to your own laws designed to encourage new enterprises.

Our agenda includes the subject of programing. Individual nations will no doubt continue to develop their overall approaches to their own economic-development problems. If any such nations wish to exchange views on their plans with other nations undertaking similar development plans, it may well be that this organization can provide such a meeting place.

We recommend that each of us expand and further diversify our joint activities in the vital field of technical cooperation. The interchange of people under this program draws us closer together and provides a better understanding of each other's problems. Through technical cooperation we pool our accumulated experience and knowledge to utilize the human and natural resources available to us as we seek to match resources against our needs. The enormous mutual benefits already produced by our efforts in this field justify our confidence in its future expansion.

We approach our talks here together with a sense of mission, which I am sure is common to us all. The challenge of the years ahead is a tremendous one. How we meet it may determine our place in history. We have great faith and confidence in the peoples and the lands that share this hemisphere. The human and physical resources are here out of which to build a glorious future.

The President of my country has very rightly called us partners in this great enterprise. He has declared the policy of our Government to be that of the good partner.

I know that the American States can be good partners, determined to work for the betterment of all our people. If we are energetic and practical, I am confident that we stand on the threshold of a great tomorrow. As good partners we can make this coming together at Rio a momentous one in the bright and lengthening record of inter-American relations.

U.S.-Yugoslav Economic Talks

Text of Joint Communiqué

Press release 663 dated November 22

Mutually beneficial informal discussions on economic matters which have been under way since November 12 between representatives of the Yugoslav and United States Governments, were concluded today.

The Yugoslav delegation was under the leadership of General Svetozar Vukmanovic, Vice President of the Federal Executive Council of the Federal People's Republic of Yugoslavia, assisted by Mr. Stanislav Kopcok, Counsellor in the Yugoslav State Secretariat for Foreign Affairs, and Mr. Kiro Gligorov, Deputy Director of the Yugoslav Federal Planning Institute. The Yugoslav Ambassador to the United States, Mr. Leo Mates, also was present.

For the American side, the talks were conducted by Mr. Harold Stassen, Director of the Foreign Operations Administration; Under Secretary of State Herbert Hoover, Jr.; Deputy Under Secretary of State Robert Murphy; Deputy Assistant Secretary of State Thorsten Kalijarvi; and Dr. D. A. Fitzgerald, Foreign Operations Administration Deputy Director.

During the talks, a broad informal exchange of views took place on many aspects of Yugoslavia's economic situation. Particular attention was directed to Yugoslavia's balance of payments position, its supply of wheat and raw materials, and its foreign debt burden. The talks have led to an increased understanding on the part of the representatives of the two countries of their mutual problems, and it is anticipated that further consideration of these matters will be carried forward in Belgrade.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of Meetings¹

Adjourned During November 1954

ILO Metal Trades Committee: 5th Session	Geneva	Oct. 25-Nov. 6
Bogotá International Exposition	Bogotá	Oct. 29-Nov. 21
UNESCO Executive Board	Montevideo	Nov. 1-15
UNESCO Budget Committee	Montevideo	Nov. 1-10
U. N. ECAFE <i>Ad Hoc</i> Working Party of Senior Geologists on the Preparation of a Regional Geological Map for Asia and the Far East.	Bangkok	Nov. 1-6
FAO Working Party on Afforestation and Reforestation	Geneva	Nov. 5-6
1st World Conference of Printing Enterprises	São Paulo	Nov. 6-13
14th International Congress of Military Medicine and Pharmacy	Luxembourg	Nov. 7-12
International Philatelic Exposition	São Paulo	Nov. 7-17
FAO European Forestry Commission: 7th Session	Geneva	Nov. 8-13
Meeting on Fur-Seal Investigation	Tokyo	Nov. 8-24
U. N. ECAFE Subcommittee on Mineral Resources	Bangkok	Nov. 8-13
FAO Meeting on Economic Aspects of the Rice Situation	Rangoon	Nov. 11-20
Customs Cooperation Council	Brussels	Nov. 15-18
ILO Governing Body: 127th Session	Rome	Nov. 16-19
ICEM <i>Ad Hoc</i> Subcommittee on Draft Rules and Regulations	Geneva	Nov. 22-24
International Sugar Council: Statistical Committee	London	Nov. 22-29
International Sugar Council: Executive Committee	London	Nov. 23-29
International Sugar Council: 3d Session	London	Nov. 24-25
ICEM Subcommittee on Finance: 6th Session	Geneva	Nov. 25-26

In Session as of November 30, 1954

U. N. General Assembly: 9th Regular Session	New York	Sept. 21-
ICAO Air Navigation Commission: 17th Session	Montreal	Sept. 21-
ICAO Air Transport Committee: 23d Session	Montreal	Sept. 27-
ICAO Council: 23d Session	Montreal	Sept. 28-
GATT Contracting Parties: 9th Session	Geneva	Oct. 28-
U. N. Ecosoc: Resumed 18th Session	New York	Nov. 5-
UNESCO General Conference: 8th Session	Montevideo	Nov. 12-
ICAO Airworthiness Panel Meeting	Montreal	Nov. 15-
International Trade Fair	São Paulo	Nov. 15-
ICAO Special European-Mediterranean Communications Meeting	Paris	Nov. 16-
IA-Ecosoc: 4th Extraordinary Meeting (Ministers of Finance or Economy).	Quitandinha (Brazil)	Nov. 22-
ILO 8th International Conference of Labor Statisticians	Geneva	Nov. 23-
Caribbean Commission: 19th Meeting	Port-of-Spain (Trinidad)	Nov. 29-
ICEM Intergovernmental Committee: 8th Session	Geneva	Nov. 30-

Scheduled December 1, 1954-February 28, 1955

U. N. High Commissioner's Advisory Committee on Refugees: 5th Session.	Geneva	Dec. 6-
FAO 4th World Forestry Congress	Dehra Dun (India)	Dec. 11-
NAC Ministerial Meeting	Paris	Dec. 16*-
Inter-American Seminar on Secondary Education	Santiago	Dec. 29-
U. N. Ecosoc Subcommittee on Prevention of Discrimination and Protection of Minorities.	New York	Jan. 4-
WHO Standing Committee on Administration and Finance	Geneva	Jan. 10-
U. N. ECAFE Subcommittee on Trade: 1st Session	Hong Kong	Jan. 10-
Pan American Highway Congress: Permanent Executive Com- mittee.	Mexico City	Jan. 13-

¹ Prepared in the Office of International Conferences, Nov. 24, 1954. Asterisks indicate tentative dates. Following is a list of abbreviations: ILO, International Labor Organization; UNESCO, United Nations Educational, Scientific and Cultural Organization; U. N., United Nations; ECAFE, Economic Commission for Asia and the Far East; FAO, Food and Agriculture Organization; ICEM, Intergovernmental Committee for European Migration; ICAO, International Civil Aviation Organization; GATT, General Agreement on Tariffs and Trade; Ecosoc, Economic and Social Council; IA-Ecosoc, Inter-American Economic and Social Council; NAC, North Atlantic Council; WHO, World Health Organization.

Calendar of Meetings—Continued

Scheduled December 1, 1954–February 28, 1955—Continued

U. N. Ecosoc Commission on International Commodity Trade: 1st Session.	New York	Jan. 17–
WHO Executive Board: 15th Meeting	Geneva	Jan. 18–
U. N. ECAFE Inland Transport Committee: 4th Session	Bangkok	Jan. 24–
International Pacific Halibut Commission	Seattle	January
International Pacific Salmon Fisheries Commission	Vancouver	January
U. N. Ecosoc Fiscal Commission: 5th Session	New York	January*
U. N. Trusteeship Council: 15th Session	New York	January*
GATT Tariff Negotiations With Japan	Geneva	Feb. 1–
ILO Chemical Industries Committee: 4th Session	Geneva	Feb. 7–
U. N. Ecosoc Transport and Communications Commission: 7th Session.	New York	Feb. 7–

The Problem of Defining Aggression

Statements by Charles H. Mahoney
U.S. Representative to the General Assembly¹

A REVIEW OF THE PROBLEM

U.S. delegation press release 1979 dated October 15

The problem of whether to define “aggression,” and, if so, how, is as old as the United Nations Organization and older. The word “aggression” appears more than once in the charter and is a key word in relation to the powers and responsibilities of United Nations political organs for preserving world peace.

At the charter conference of San Francisco in 1945, the question of whether to define the term “aggression” in the constitutional instrument of this Organization was directly debated. The considered opinion of the conference was that this should not be done, and it was not.

Since 1945 the General Assembly has several times come back to survey the problem of definition. The present series of debates began 4 years ago this autumn. At that time the General Assembly referred to the International Law Commission a draft definition of aggression proposed by the Soviet Union and asked the Commission to “formulate its conclusions as soon as possible.” In the succeeding year the Commission met, and

accepted its assignment as a request to make an attempt to define aggression and report back. When it came to the point of substantive discussion, the Commission had before it a report by Mr. Spiropoulos,² in which it was concluded that: “A ‘legal’ definition of aggression would be an artificial construction,” which could never be comprehensive enough to comprise all imaginable cases of aggression, since the methods of aggression are in constant process of evolution.

After consideration of various proposals, the Commission took as the basis of definition a draft by Mr. Alfaro,³ but this formula, as submitted to final vote, was rejected 7 to 3 with one abstention. A proposal to make further attempts was defeated 6 to 4 with one abstention. At a later point the Commission inserted into the Draft Code of Offenses Against the Peace and Security of Mankind a statement including acts of aggression and threats thereof as such offenses. After debate of the Report of the International Law Commission, the Sixth Assembly Session, by a small majority, recorded the view that it was “possible and desir-

¹ Made in Committee VI (Legal) on Oct. 15, Nov. 4, and Nov. 8.

² Jean Spiropoulos, Greek representative on Committee VI.

³ Ricardo Alfaro of Panama.

able . . . to define aggression by reference to the elements which constitute it."

A new debate on the question of definition was held at the Seventh Session of the General Assembly 2 years ago. As requested by the Assembly, the Secretary-General presented a most thorough report discussing the whole question.⁴ Various formulas were put forward by the delegations to the Assembly. No general agreement on any formula was reached, and the whole matter was referred to a Special Committee. That Committee, which met in 1953 and whose report is contained in document A/2638, likewise reached no agreement. The report is a most interesting synthesis of the very conscientious work done by the representatives of the 15 member states selected to serve on the Committee.

In listening to the statements of the distinguished representatives of the Soviet Union, Panama, and Cuba, and to the introductory statements by you, Mr. Chairman,⁵ and by the distinguished rapporteur of the Special Committee,⁶ we were vividly reminded of the difficulties and pitfalls that lie across the path of efforts to define aggression. The experience of the United Nations in coping with this matter shows that, in repeated attempts, it has not been possible to reach general agreement on any word formula to define the term. When the charter was drafted, the considered judgment of the international community was that it would be wiser not to attempt an a priori paper definition. The United States has not been persuaded of the wisdom of any other course.

Dangers in Paper Definitions

There are obvious dangers in a priori paper definitions. A formula may be intended as a complete statement of what constitutes aggression, and yet the formula may fail to include mention of one or more types of conduct which would in fact be aggressive. In this way a potential aggressor would be effectively invited to pursue paths which seemed unwittingly to have been licensed by the community of nations.

A definition of aggression may expressly disclaim to be all-inclusive and complete. Yet it may

nevertheless give an emphasis to the specified types of conduct which would be unbalanced and perhaps harmful to the general cause of keeping world peace. New events are constantly changing the world we live in; emphasis on one set of elements given properly and truly today may be false in another year.

Some of the suggestions already made in this Committee for a general definition accompanied by a list of examples of acts constituting aggression would necessarily entail emphasis on the acts listed. Who can say with certainty now what acts should be selected for the listing? If, on the other hand, an effort is made to be complete, we have again the problem of inadvertent omissions. The general definition itself would leave still unelaborated such concepts as self-defense and action inconsistent with the purposes of the United Nations. It is actually to be feared that the mixed type of definition would carry the disadvantages of both the general type and the enumerative.

The United States has also a certain distrust of setting up a priori categories into which future actions and situations are to be classified as they arise. This seems particularly true where the United Nations Organization is still relatively young and where the law of the United Nations is still in a relatively early stage of development. We have a much larger confidence in the soundness of empirical development of law, with the rules growing out of the actual cases and with any re-statements or codifications of law held in abeyance pending an adequate practical experience.

It is also impossible to escape the realization that aggression is not simply the admixture of certain predefined elements in given proportions. To determine the occurrence of aggression is to make a total value judgment on the whole complex of facts and circumstances in an actual situation.

A realization of this led the founders of the United Nations to deal with the problem of aggression not by word formulas but through the living processes of the United Nations political organs. The Security Council was created for the purpose of applying international law standards, including those of the charter, to events in the real world. This is the meaning of article 39, which lays down that "the Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken

⁴ U.N. doc. A/2211 dated Oct. 2, 1952.

⁵ F. García Amador of Cuba.

⁶ Salah A. Tarazi of Syria.

in accordance with Articles 41 and 42, to maintain or restore international peace and security."

Position at San Francisco

Joseph Paul-Boncour, rapporteur of Committee III/3 at San Francisco, had the following to say on this problem:

A more protracted discussion developed in the Committee on the possible insertion in paragraph 2, Section B, Chapter VIII, of the determination of acts of aggression.

Various amendments proposed on this subject recalled the definitions written into a number of treaties concluded before this war but did not claim to specify all cases of aggression. They proposed a list of eventualities in which intervention by the Council would be automatic. At the same time they would have left to the Council the power to determine the other cases in which it should likewise intervene.

Although this proposition evoked considerable support, it nevertheless became clear to a majority of the Committee that a preliminary definition of aggression went beyond the possibilities of this Conference and the purpose of the Charter. The progress of the technique of modern warfare renders very difficult the definition of all cases of aggression. It may be noted that, the list of such cases being necessarily incomplete, the Council would have a tendency to consider of less importance the acts not mentioned therein; these omissions would encourage the aggressor to distort the definition or might delay action by the Council. Furthermore, in the other cases listed, automatic action by the Council might bring about a premature application of enforcement measures.

The Committee therefore decided to adhere to the text drawn up at Dumbarton Oaks and to leave to the Council the entire decision as to what constitutes a threat to peace, a breach of the peace, or an act of aggression.

In today's world we must keep in mind that the General Assembly also may have responsibilities with respect to acts of aggression. This was made clear by the resolution "Uniting for Peace" (377(V)) adopted at the Fifth Session of the Assembly.

Thus, both the General Assembly and the Security Council are in a position where their success in safeguarding international peace and security can be jeopardized by adoption of a definition of aggression. As matters stand under the charter in the absence of a paper definition, there can be no question that, as the Sixth Session of the General Assembly observed in its resolution previously quoted, "the existence of the crime of aggression may be inferred from the circumstances peculiar to each particular case."

There is this year an additional factor which my

delegation believes should influence us not to proceed now with the effort to crystallize and harden an abstract definition of aggression. That is the appearance of the term "aggression" in a memorandum submitted by the United Kingdom and France to a subcommittee of the Disarmament Commission on June 11, 1954.⁷ The memorandum dealt in part with a prohibition on the use of nuclear weapons and suggested a declaration prohibiting their use "except in defense against aggression." We have noted a Soviet proposal in the First Committee of the present General Assembly to refer this suggestion back to the Disarmament Commission for further study and clarification.⁸ The Commission will doubtless resume its work and take up again the consideration of matters ranging across the whole field of disarmament, including the joint United Kingdom-France suggestion of June 11 to which I have referred. In these circumstances it seems to my delegation the part of wisdom to refrain here from any action on abstract definitions of aggression which could conceivably prejudice the possible success of negotiations on disarmament.

I have taken some time to review the history of this problem of defining aggression and some of the considerations which seem relevant to the United States delegation because this history and these considerations all point to a conclusion: no constructive purpose would be served at this time by the preparation of a formula to define aggression. The General Assembly should now consider that it has explored to the limits of usefulness the possibilities of defining aggression by a word formula prepared today for possible applications in the future.

PROPOSALS BY IRAN AND PANAMA, CHINA

U.S. delegation press release 2006 dated November 4

The U.S. delegation has listened with interest to the extended and thorough general debate which has taken place in this committee on the question of defining aggression. That general debate now being ended, it is time for the committee to address itself to the resolutions before the committee. I would like to make a few observations on some of the proposals which are before us.

⁷ BULLETIN of Aug. 2, 1954, p. 182.

⁸ *Ibid.*, Oct. 25, 1954, p. 625.

The draft resolution of the U.S.S.R.,⁹ introduced at the outset of this discussion, has been before the members of the committee for a sufficient length of time that a number of speakers have had an opportunity to refer to it in their statements during the general debate. Indeed, we think the Soviet draft has been adequately discussed, and I do not propose to make any further comments on it at this time.

There have been circulated at the last stage of the general debate two new draft resolutions, one of which appears to have been discussed with certain delegations outside the committee room for a number of days and has been referred to in our committee debate; the other is a draft resolution introduced by the delegate of China. I should like to comment on these two drafts.

The first, introduced by Iran and Panama,¹⁰ commences with a paragraph of preamble which quotes a paragraph of preamble from General Assembly Resolution 599 (VI) of 3 years ago. It might conceivably have been appropriate at that time for the General Assembly to express itself in favor of defining aggression in order both to promote international peace and security and to develop international criminal law. These are somewhat separate undertakings and would, of course, require different treatment and procedures. Now, however, we find in the draft resolution of Iran and Panama that the two purposes are kept joined together as the result of what seems to be an automatic and insufficiently considered quoting from the resolution of the Sixth Assembly. This paragraph of preamble in the draft resolution now before us introduces an element of confusion as to whether the definition proposed by Iran and Panama is a definition of aggression relating to the international obligations of states, relating to criminal responsibilities of individuals, or both. The matter seems not to have been thought through.

The next paragraph of preamble in the draft resolution introduced by Iran and Panama speaks of "directives" to "such international bodies as may be called upon to determine the aggressor," and the operative portion of the draft resolution begins with the dogmatic expression "declares." Under the charter, it is clear that the General As-

sembly cannot give directives to the Security Council; it cannot even bind future sessions of the Assembly itself. If the "international bodies" in question include criminal tribunals, it is perfectly clear that no jurisdiction or directives can be given to them other than by a treaty duly ratified.

It would appear that paragraph 1 in the operative part of this draft resolution states a general definition of aggression which purports to be exclusive. This feature is misleading and unfortunate. It has the effect, among other things, of putting aside the elements of subversion and indirect aggression and the economic aspects of aggression.

The same operative paragraph in the draft resolution introduces the possibility of conflict with article 2, paragraph 4 of the charter. The draft resolution bars "any use of armed force by a State against another State for any purpose other than the exercise of the inherent right of individual or collective self-defense or in pursuance of a decision or recommendation of a competent organ of the United Nations." Article 2, paragraph 4 sets up a different standard. It reads:

All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations.

The second operative paragraph of the draft resolution introduced by Iran and Panama states an enumeration of acts to be considered as "aggression in all cases." This provision embodies the cardinal disadvantages of an enumeration by stating that certain acts shall constitute aggression regardless of the whole picture in a given situation. It is possible that the introductory phrase in the second operative paragraph—"In accordance with the foregoing definition"—could be interpreted to mean that the listed acts were only examples of the general definition, although this is by no means clear from the drafting. If that were true, the resolution proposed by Iran and Panama would be of the mixed type of definition. The distinguished representative of the United Kingdom, we think, disposed definitively of this type of definition in his statement of November 1. The listing in the draft resolution of Iran and Panama also does not provide for the contingency foreseen in the Paraguayan proposal, which took account of the possibility that a state might be unable to suppress the activities of armed bands.

⁹ U.N. doc. A/C.6/L. 332 and Rev. 1.

¹⁰ U.N. doc. A/C.6/L. 335 and Rev. 1.

The resolution introduced by China as revised²¹ contains a first operative paragraph that purports to state a general definition. The statement appears as an exclusive definition, although it is quite obviously incomplete in representing the different forms which aggression might take. This first statement also begs the question by stating "that aggression is the unlawful use of force by a State against another State, whether directly or indirectly." The rest of the first operative paragraph in the Chinese draft carries the usual disadvantages of a mixed type of definition. It also includes some rather vague terminology such as "fomenting civil strife."

It may be intended that paragraph 2 in the operative part of the Chinese draft modifies both parts of paragraph 1, although the relationship between these paragraphs is not clear. In any event, the enumeration contained in paragraph 1 in its present form lends itself particularly to the uses of distortion and propaganda. My delegation is unclear as to the meaning and effect of paragraph 3.

During the course of the general debate, some suggestions have been made for the setting up of a special committee, subcommittee, or working group to harmonize the different views and produce a single text. My delegation does not believe this would be a fruitful procedure. It would add even greater length to the time the United Nations has devoted to consideration of the aggression problem. Indeed, we think it would waste time. There has in fact occurred a great deal of group discussion among delegations to see if agreement could be reached on a common text. We do not see how a prolongation of that process, formalized by a vote of the committee or the Assembly, could be productive. It is evident that we do not face a problem simply of expressing agreed ideas in language that will be generally acceptable. The differences are of substance and are fundamental, as indicated by the distinguished delegates of Ecuador and Costa Rica.

We believe this committee should now proceed to vote on the resolutions which are before the committee. We would urge again that no paper formula be adopted. As the distinguished representative of New Zealand stated, any formula to emerge from this debate could only be the lowest common denominator of possible definitions and

could be really satisfactory to very few if any countries. The United States will vote against all of the proposed definitions and hopes that the General Assembly will now conclude that the subject matter of defining aggression has been explored to the limits of usefulness.

PROPOSAL BY LEBANON, SYRIA, AND YEMEN

U.S. delegation press release 2013 dated November 8

Since my delegation last spoke, a formal joint proposal has been tabled by Lebanon, Syria, and Yemen.¹² It is proposed that the General Assembly create another Special Committee to draft a definition of aggression and report back next year. We have considered this course of action in all of its aspects and wish simply to reaffirm our conviction that it is not likely to serve a useful purpose.

There has been no lessening of the difficulties surrounding our subject as the result of the work of the previous Special Committee or of this committee. This point has been very clearly and forcefully made by a number of speakers. In matters of this kind attitudes strongly supported become the more strongly entrenched by unremitting reiteration. For one who looks to some solution in the future, whether near or distant, it is submitted that a breathing spell and a chance for calm reconsideration, not the prolongation of wornout exchanges, should offer the best hope.

An additional reason argues very strongly against the joint proposal. Next year the Assembly will have before it the question of charter review—the problem of reassessment of 10 years' experience in world organization. If, as my Government hopes, a review conference is held, that review will provide an opportunity for surveying in perspective the whole field of international peace and security. It may furnish fresh insights into particular areas, such as aggression and the questions of whether or how it might be apprehended in definition form. At a later time, governments will have the benefit of knowing what developments may have taken place respecting charter review and disarmament and would undoubtedly wish to take these developments into

¹² U.N. doc. A/C. 6/L.337. The resolution as amended was approved on Nov. 10 by a vote of 33-3 (Australia, Brazil, U.S.)-14.

²¹ U.N. doc. A/C. 6/L. 336/Rev. 1.

account in approaching again the question of defining aggression.

With the future holding possibilities of developments within the United Nations affecting the question of defining aggression, and with the past a vivid reminder of the probable sterility of another Special Committee at this stage, we respectfully urge that the question now be let alone for a time. To repeat the unsuccessful experiments of the past is not in anyone's interest. To create a Special Committee because a majority does not want to stop considering the problem of

defining is completely unnecessary. It could be counterproductive and might be understood as a face-saving rather than a hopeful step. From the point of view of what will promote sound development of the United Nations, we believe that constructive thinking and cooperation by governments in closely related fields will be the best preparation for any further consideration of the aggression problem. The United Nations has not made headway in repeated efforts concentrated directly on the problem. We think it is time to take another tack.

Principles Involved in Human Rights Covenants

Statements by Mrs. Oswald B. Lord

U.S. Representative to the General Assembly¹

U.S. VIEWS ON DRAFT COVENANTS

U.S. delegation press release 2001 dated November 2

I have delayed participating in this debate until today because of the desire of the committee—a very understandable desire—to hear the views of governments which have not been represented in the Commission on Human Rights and because the position which my Government has taken toward the draft covenants² is already well known.

Having said this, Mr. Chairman, I should like to place in the record the views of my Government on several of the major issues that involve important matters of principle. I shall not deal with the many details in the draft covenants which my Government believes are not satisfactory for one reason or another.

My Government is of the view that a deficiency of the draft covenant on civil and political rights lies in what we consider to be the serious imper-

fections in the guaranties of the rights included. In too many instances in this draft covenant the affirmative statement of the right is undermined by additional provisions which permit the national legislatures to ignore the guaranties in exceptional circumstances which are broadly and loosely defined. For example, the right to liberty of person in article 9 is made subject to exceptions on such grounds as are established by law. The right to freedom of thought and religion in article 18 is made subject to broad limitations prescribed by law. Similar exceptions are provided for in article 19 with respect to freedom of expression and in article 21 with respect to freedom of association.

Danger to Freedom of Expression

At least two articles in the covenants as presently drafted constitute a real danger to the vital principle of freedom of expression. Article 14 of the draft covenant on economic, social, and cultural rights states that "education shall encourage . . . the suppression of all incitement to racial and other hatred. . . ." Article 26 of the draft covenant on civil and political rights reads

¹ Made in Committee III (Social, Humanitarian, and Cultural) on Nov. 2 and Nov. 8.

² For texts of the drafts, completed at the tenth session of the U.N. Commission on Human Rights in Feb.-Apr. 1954, see U.N. doc. E/2573, annex I.

"Any advocacy of national, racial or religious hostility that constitutes an incitement to hatred and violence shall be prohibited by the law of the state." Most of us in this room would not hesitate to condemn advocacy of national, racial, or religious hostility of any kind. Yet all of us ought to hesitate before accepting the concept of totalitarian control of all forms of expression that is implied in these two articles. Who can define the words "hostility" or "incitement" or "hatred" precisely enough for a treaty?

Another article which raises an important question of principle is article 1 in both covenants on self-determination. I do not wish at this time to discuss the larger issues of self-determination, except to reaffirm the devotion of my Government to the principle of equal rights and self-determination of all nations and peoples. It is the third paragraph of article 1 on self-determination to which my delegation takes strong exception. This paragraph states the right of self-determination in economic affairs far too rigidly. The second sentence of this paragraph completely ignores the rights that foreign nations may have in a state by virtue of treaties, commercial agreements, and general international law. It may even be interpreted to sanction the right of government to expropriate private property without any compensation whatsoever. This third paragraph, if included in the covenants, could undermine what individual investors, governments, and the United Nations have been doing in recent years to encourage the flow of private capital into the underdeveloped countries. The danger of this third paragraph is not merely that it would probably prevent many governments from ratifying the covenants but rather that it would discredit the United Nations and weaken support for the organization in many countries.

Serious Omissions

As other speakers have pointed out, Mr. Chairman, several important articles have not been included in the draft covenants. One right that is conspicuous by its absence is the right to own property. In the Commission on Human Rights last winter, we discussed the incorporation of article 17 of the Universal Declaration of Human Rights in the draft covenant on economic, social, and cultural rights. I regret very much that the Commission did not decide to include the language of

article 17 in the draft covenant. The right to own property is an important human right, essential to the complete development of human liberty, and it was so recognized in the Universal Declaration of Human Rights. Failure to include this essential right in the covenant might well be regarded as a retrogressive step, a weakening of the Universal Declaration.

Another important omission relates to part IV of the covenant on civil and political rights, concerning implementation. This series of articles fails to provide that the proposed Human Rights Committee should not duplicate the work of other organs of the United Nations, and of the specialized agencies. In fact, such an article was deleted by the Commission on Human Rights at its ninth session. As a result, without such a provision, the jurisdiction of the proposed Human Rights Committee might seriously overlap that of other organs of the United Nations system.

A number of other representatives have referred to the difficult question of reservations. As members of this committee know, my Government does not believe that in the present political atmosphere in international affairs the use of treaties can be a productive method for promoting respect for human rights, and it has decided not to sign or ratify the covenants. The exact nature of the reservations article is therefore not as significant for us as it otherwise might be, but, because widely divergent points of view have been expressed, it might be useful to state briefly the position of my Government on this important article and the reasons for it.

From the standpoint of competent legal draftsmanship it would be our view that the two covenants should contain an article which would clearly provide for the effect to be given to reservations. In view of the broad humanitarian objectives of the covenants, we would suppose that the article on reservations should be a liberal one, permitting reservations to the substantive articles of the covenants. At the same time, we would think that reservations should not be permitted to the implementation provisions of either of the covenants. The implementation provisions of each covenant constitute a carefully worked out system, the effective functioning of which would be seriously jeopardized if it were made possible for states desiring to become parties to the covenants to make reservations to them.

Different Uses of Terms

Finally, Mr. Chairman, may I say that as I have listened to this general debate, I have been struck by the different interpretations which different speakers have placed upon the same words in one article or another of the draft covenants. A number of representatives, for example, have expressed differing views as to what is meant by the right of self-determination. The spokesmen for the Moslem faith do not seem to be in complete agreement with regard to the article on freedom of religion. Most important of all, the representative of the Soviet Union has given a meaning to some of the words of the draft covenants that is entirely different from the meaning that most of us in the free world would give them. Anyone who listened carefully to the statement of the Soviet representative, anyone who has participated in the debates of the Human Rights Commission, anyone who is familiar with the structure of Soviet society knows that in Soviet terminology the word "democracy" means "communism"; the word "freedom" means "freedom to act only in the interests of communism"; the word "right" means "not individual rights but the right of the collectivity as determined by the Communist Party"; and that "self-determination" as Stalin has made clear is subordinate to the dictatorship of the proletariat.

These are the general observations, Mr. Chairman, which the United States delegation wishes to make in this first reading of the draft covenants. I have made these observations because I believe that the committee is entitled to hear the views of every member of the United Nations and because I desire to express again the continuing determination of the United States Government to promote human rights and to oppose restrictions upon those rights. We in the United States have been moving forward over the years, through legislation, through decisions of our courts, and—most important of all—through the development of public opinion. We in the United States earnestly desire to see human liberty made secure in our own country and everywhere else in the world. We believe that much can be done in the United Nations to accomplish these ends. We will continue to do everything we can—here at home, in our relations with other countries, and in the United Nations—to promote the cause of freedom.

COMMENT ON SOVIET POSITION

U.S. delegation press release 2014 dated November 8

I tried, Mr. Chairman, in my earlier statement to suggest how difficult it is to reach agreement on an interpretation of the various articles of the two draft covenants, and I illustrated this by several different examples. The reply of the delegate of the U.S.S.R. [A. A. Fomin] has proved my contention, because it would appear that the problem of defining these terms is obviously difficult.

Before going over the specific examples I gave and the sources from which I based my remarks, I would like to refer to the disagreement of the representative of the Soviet Union with my remarks about the two articles in the draft covenants which refer to incitement to hatred and violence. The Soviet representative did not convince me that these two articles are not a threat to freedom of expression. I do hope that the committee will give very careful thought to this problem.

In illustrating the difficulties that arise in reaching agreement over the interpretation of different articles, I said in my first statement that when the Russians use the word "democracy" they mean "communism." I will give you two authorities:

(1) Lenin in *Fourth Anniversary of the October Revolution*: "The Soviet system represents the maximum of democracy for the workers and peasants and the rise of a new type of democracy of world historic importance, viz., proletarian democracy or dictatorship of the proletariat."

(2) Stalin "On the Draft Constitution of 1936" in *Problems of Leninism* (two separate quotations): "The Constitution of the U.S.S.R. is the only thoroughly democratic constitution in the world," and "I must admit that the draft of the new Constitution does preserve the regime of the dictatorship of the working class, just as it also preserves unchanged the present leading position of the Communist Party of the U.S.S.R. If the esteemed critics regard this as a flaw in the Draft Constitution, it is only to be regretted. We Bolsheviks regard it as a merit . . ." Conclusion: Real democracy equals Soviet communism equals dictatorship of the proletariat.

I said that the word freedom in the U.S.S.R. means "freedom to act only in the interest of communism." This is the clear connotation of article 125 of the Constitution of the U.S.S.R., which grants certain freedoms "in conformity

with the interests of the working people, and in order to strengthen the socialist system. . . ." To give a recent example to show that these limitations are real, I quote from the Resolution of the Presidium of the Board of the Union of Soviet Writers, cited in *Literaturnaya Gazeta*, August 17, 1954, which after severe criticism concludes:

. . . The magazine *Novy mir* had laid down a policy which contradicts *Party instructions* in the sphere of belles-lettres The errors committed . . . recall particularly clearly the Party's instructions concerning the duty of workers in the art of socialist realism—namely, to be guided in all artistic work by the policy of the Party and the Soviet state. . . .

I said that the word "right" means not individual rights but the right of the collectivity as determined by the Communist Party. This statement contains two ideas, that the Soviet concept of rights is collective and that the Communist Party is what determines these rights.

The whole tradition of Soviet development supports this statement. You will look in vain in the Constitution of the U.S.S.R. for limitations on the power of the state in favor of the individual. Even more indicative is the terminology of the collective rights that *are* included. In the articles on duties, the wording is "It is the duty of *every citizen*. . . ." In the articles on rights, the wording is "*Citizens* of the U.S.S.R. . . ." There is more than a technical difference in this wording, for the official Soviet theory is that the interests of the states and the individual never diverge. How the U.S.S.R. claims to have achieved this utopian state was made clear in an article on "Soviet Ideology and its Superiority Over Bourgeois Ideology" in *Partiinaya Zhina* in September 1947: "This correlation [of the individual and social interests] is possible only on the basis of the subordination of personal interest to the social." Who determines what the social interest is? The Communist Party, a small, disciplined, doctrinaire group which rules the U.S.S.R. with an iron grip. Its hold on Soviet society was described by Stalin in "Three Basic Slogans of Party on Peasant Question" as follows:

The Government passed completely and entirely into the hands of one Party, into the hands of our Party, which does not share and must not share the guidance of the state with any other party. This is what we mean by the dictatorship of the proletariat.

It is all very logical. By definition there is no conflict between the individual and society. But

if there should be, individual rights are subordinate to the collectivity. The society, of course, is subject to the Party, which is, in turn, subject to the dictates of a few individuals at the top in accordance with the principle of centralism.

The last point I made was that the principle of self-determination was subordinated by the U.S.S.R. to the principle of the dictatorship of the proletariat. The quotation from Stalin to which I referred comes from Stalin's speech to the XIIth Congress of the Russian Communist Party. It speaks for itself:

There are instances when the right to self-determination comes into conflict with another, higher right—the right of the working class which attained power to fortify its power. In such cases, it must be stated frankly, the right of self-determination cannot be and must not serve as an obstacle to the realization of the right of the working class to its own dictatorship. The first must recede before the second.

I think that this disagreement on self-determination is very relevant to our debate, Mr. Chairman, and we will be glad to take up the Soviet position on self-determination in detail at a later date.

In my intervention all I have tried to do is to point out constructively some of the difficulties that exist on interpreting what is meant by different words. We have tried to be helpful and have found it useful to hear the views of other delegations and to hear constructive criticism.

U.S. Position on U.N.'s Technical Assistance Program

U.S./U.N. press release 1998 dated November 1

Following is the text of a letter from Ambassador Henry Cabot Lodge, Jr., U.S. Representative to the United Nations, to V. A. Hamdani, chairman of the Negotiating Committee, Extra-Budgetary Funds.

Since the inception of the United Nations Expanded Program of Technical Assistance, the United States has given it strong support. For the first three years of the program the United States contributed a total of \$36,000,000, or approximately 60 per cent of all funds pledged, to the central fund. For 1954 the dollar amount of our pledge increased to \$13,861,809, although our percentage share of the central fund was reduced

to approximately 57 per cent. The full amount of the U.S. pledge for calendar year 1954 has been appropriated by the U.S. Congress and is available for contribution to the program.

The United States recognizes the importance of technical assistance in promoting the economic development of the underdeveloped countries and has been providing technical assistance bilaterally as well as supporting the UN technical assistance program. It has also contributed generously to the other special UN programs which are aimed directly or indirectly at economic development or at alleviation of economic distress.

The Congress of the United States has made clear that it does not wish the Executive to make pledges to the UN technical assistance program until funds have been appropriated. The United States is not in a position at this time to make a pledge for calendar year 1955. The President has authorized the U.S. Delegation to state that he is prepared to request from the Congress funds for a U.S. contribution to the calendar year 1955 program. He hopes that the UN technical assistance program will continue to operate at least at its present level and in the future will obtain increasing support from all governments.

The fact that the President is prepared to make a request for funds does not constitute a pledge and is not to be so considered. I am authorized to make this statement, however, to indicate the President's continuing interest in this vital UN program.

U.S. Delegations to International Conferences

Intergovernmental Committee for European Migration

The Department of State announced on November 24 (press release 667) that the U.S. Government would be represented at the Eighth Session of the Intergovernmental Committee for European Migration, to be held at Geneva, from November 30 to December 4, by the following delegation:

United States representative

Scott McLeod, Administrator, Bureau of Inspection,
Security and Consular Affairs, Department of State

Alternate United States representatives

Chauncey W. Reed, House of Representatives
Ben F. Jensen, House of Representatives
Dorothy D. Houghton, Assistant Director, Office for Refugees, Migration and Voluntary Assistance, Foreign Operations Administration
Christopher H. Phillips, Deputy Assistant Secretary for International Organization Affairs, Department of State

Principal adviser

George L. Warren, Adviser on Refugees and Displaced Persons, Bureau of Inspection, Security and Consular Affairs, Department of State

Advisers

Richard R. Brown, Director, Office of Field Coordination, Escapee Program, Foreign Operations Administration, Frankfurt, Germany
Frank W. Fletcher, President, Fletcher-Wilson Coffee Co., Nashville, Tenn.
William R. Foley, Committee Counsel, Committee on Judiciary, House of Representatives
Dayton H. Frost, Chief, Intergovernmental Refugee Program Division, Foreign Operations Administration
Walter H. Jones, New Jersey State Senator, Trenton, N.J.
Abba P. Schwartz, former legal adviser to Intergovernmental Committee for European Migration, Washington, D.C.
Nick Stepanovich, former adviser to War Department on visa matters, East Chicago, Ind.

During the week immediately preceding the convening of the Eighth Session, two subcommittees will hold meetings. The *Ad Hoc* Subcommittee on Draft Rules and Regulations meets November 22-24, and the Subcommittee on Finance will hold its Sixth Session on November 25 and 26.

The purpose of the Intergovernmental Committee is to facilitate the movement out of Europe of migrants and refugees who would not otherwise be moved. The majority of the persons moved by the Committee are going from Greece, Italy, Austria, Germany, and the Netherlands to Australia, Canada, the United States, and Latin America. As of October 31, 1954, a total of 265,752 persons had been moved in resettlement overseas by the Committee. The 24 member governments of the Intergovernmental Committee for European Migration are: Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Colombia, Costa Rica, Denmark, France, Federal Republic of Germany, Greece, Israel, Italy, Luxembourg, the Netherlands, Norway, Paraguay, Sweden, Switzerland, Uruguay, the United States, and Venezuela.

The draft provisional agenda includes (1) general report of the Director, (2) revised report on budget and plan of expenditure for 1954, (3) proposed budget and plan of expenditure for 1955 and 1956, and (4) action to be taken for the prolongation of the existence of the Committee beyond December 31, 1954, if the constitution has not entered into force. In this last connection, it may be noted that 13 of the 24 governments, including the United States, have accepted the constitution.

The Seventh Session of the Intergovernmental Committee for European Migration was held at Geneva, April 26-May 1, 1954.

Caribbean Commission

The Department of State announced on November 26 (press release 672) that the U.S. Government would be represented at the nineteenth meeting of the Caribbean Commission at Port-of-Spain, Trinidad, from November 29 through December 4 by the following delegation:

United States Commissioners

Robinson McIlvaine, *Co-Chairman*, Deputy Assistant Secretary of State for Public Affairs, Department of State

Arturo Morales Carrion, Under Secretary of State, Commonwealth of Puerto Rico

José Trias Monge, Secretary of Justice, Commonwealth of Puerto Rico

David Victor Bornn, Vice President, Virgin Islands National Bank, St. Thomas

Advisers

Frances McReynolds Smith, Office of Dependent Affairs, Department of State

William P. Maddox, American Consul General, Port-of-Spain

The Caribbean Commission is an international advisory body resulting from expansion of the original Anglo-American Caribbean Commission. It serves to coordinate activities of the four member governments, France, the Netherlands, the United Kingdom, and the United States, in their efforts to improve the economic and social well-being of Caribbean inhabitants.

Among the principal agenda items for discussion at the nineteenth meeting are a proposed work program and budget for 1955; a proposed schedule of technical conferences for 1956; a study on customs barriers and trade liberalization in the Caribbean; reports on conferences and meetings held

since the eighteenth meeting of the Commission (Belize, British Honduras, May 19-24, 1954); progress reports on technical assistance projects, such as a Caribbean training program in Puerto Rico, a Caribbean cooperatives training center in Puerto Rico, and a survey of the potentialities of bagasse, tropical timbers, and rice straw in the manufacture of fiberboard, pulp, and paper; and the status of preparations for the sixth session of the West Indian Conference to be held at San Juan, May 1955.

TREATY INFORMATION

Agreement With West Germany Relating to Patents

Press release 638 dated November 10

The Department of State announced on November 10 that the U.S. Government and the Government of the German Federal Republic have agreed to apply and consider operative the agreement between the United States of America and Germany relating to patents signed at Washington, February 23, 1909. This was done on the understanding that this action will not affect any rights in the Federal Republic of Germany to which U.S. nationals may otherwise be entitled, and will be without prejudice to the previous status of any provision of the agreement which may have remained operative or may have again become operative since the outbreak of hostilities between Germany and the United States of America. The agreement is also applicable in the Western sectors of Berlin. This action was taken to clarify the status of the agreement in the light of the effects of World War II.

The agreement provides that national treatment shall be accorded to citizens of one country where the provisions of law of the other country impose disabilities or restrictions for the nonworking of a patent. The agreement further provides that the working of a patent in one country shall be considered as equivalent to its working in the other country.

Current Actions

MULTILATERAL

Aviation

Protocol amending Article 45 of the Convention on International Civil Aviation (TIAS 1581) which provides for the permanent seat of ICAO. Done at Montreal June 14, 1954.¹

Ratification deposited: Ethiopia, October 25, 1954.

Protocol relating to certain amendments to the Convention on International Civil Aviation (TIAS 1581), providing that sessions of the Assembly of the International Civil Aviation Organization shall be held not less than once in three years instead of annually. Done at Montreal June 14, 1954.¹

Ratification deposited: Ethiopia, October 25, 1954.

Germany

Agreement on German external debts. Signed at London February 27, 1953. Entered into force September 16, 1953. TIAS 2792.

Accession deposited: Australia, September 29, 1954.

Notification by United Kingdom of extension to: Northern Rhodesia and Nyasaland, October 1, 1954.

Japan

Agreement regarding the status of the United Nations forces in Japan. Signed at Tokyo February 19, 1954. Entered into force June 11, 1954. TIAS 2995.

Acceptance deposited: Union of South Africa, October 27, 1954.

Postal Matters

Convention, Final Protocol, and Regulations of Execution of the Postal Union of the Americas and Spain. Signed at Rio de Janeiro September 25, 1946. Entered into force January 1, 1947. TIAS 1680.

Agreement relative to money orders, and Final Protocol. Signed at Rio de Janeiro September 25, 1946. Entered into force January 1, 1947. TIAS 1682.

Agreement relative to parcel post, and Final Protocol. Signed at Rio de Janeiro September 25, 1946. Entered into force January 1, 1947. TIAS 1681.

Ratification deposited: Panama, September 8, 1954.

BILATERAL

China

Agreement amending the agreement of November 5 and 18, 1948, as amended (TIAS 2749) relating to relief supplies for China. Effected by exchange of notes at Taipei July 12 and October 26, 1954. Entered into force October 26, 1954.

Germany

Agreement concerning the treaty of friendship, commerce and consular rights of December 8, 1923, as amended (44 Stat. 2132 and 49 Stat. 3258). Signed at Bonn June 3, 1953. Entered into force October 22, 1954.

Proclaimed by the President: November 5, 1954.

Libya

Agreement relating to the granting of wheat to alleviate famine conditions in Libya. Effected by exchange of notes at Benghazi October 30 and November 3, 1954. Entered into force November 3, 1954.

Philippines

Agreement amending the agreement of June 7, 1949 (TIAS 1949) relating to construction and equipping of hospi-

¹ Not in force.

tals for veterans and the provision of medical care and treatment of veterans by the Philippines, and the furnishing of grants-in-aid thereof by the United States. Effected by exchange of notes at Manila October 6, 1954. Entered into force October 6, 1954.

Turkey

Agreement relating to the exchange of commodities and the sale of grain, with annex. Signed at Washington November 15, 1954. Entered into force November 15, 1954.

THE DEPARTMENT

Appointment

Morehead Patterson as United States Representative, with the personal rank of Ambassador, for International Atomic Energy Agency Negotiations, effective November 4.

Designations

Charles F. Baldwin as Deputy Assistant Secretary for Far Eastern Economic Affairs, effective November 1.

John F. Rieger as General Manager of the Refugee Relief Program, effective November 10.

Recent Releases

For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Cultural Relations. TIAS 2798. Pub. 5313. 4 pp. 5¢.

Agreement between the United States and the Federal Republic of Germany. Exchange of notes—Signed at Washington Apr. 9, 1953. Entered into force Apr. 9, 1953.

Relief From Double Taxation on Profits From Operation of Aircraft. TIAS 2858. Pub. 5303. 5 pp. 5¢.

Agreement between the United States and Belgium. Exchange of notes—Signed at Washington July 18, 1953. Entered into force July 18, 1953.

Economic Cooperation. TIAS 2859. Pub. 5304. 3 pp. 5¢.

Agreement between the United States and France, amending agreement of June 28, 1948, as amended. Exchange of notes—Signed at Paris Sept. 11, 1953. Entered into force Sept. 11, 1953.

Air Transport Services. TIAS 2870. Pub. 5322. 2 pp. 5¢.

Agreement between the United States and the Union of South Africa, amending agreement of May 23, 1947. Exchange of notes—Signed at Washington July 21 and Nov. 2, 1953. Entered into force Nov. 2, 1953.

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663	11/22	U.S.-Yugoslav economic talks.
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665	11/23	Merchant: Progress toward European Security.
666	11/23	Instruction to Consul at Geneva.
667	11/24	Delegation to Migration Committee meeting.
†668	11/26	Communique on Raab visit.
*669	11/26	Byroade to be Ambassador to Egypt.
*670	11/26	Allen to be Assistant Secretary.
671	11/27	Dulles: Albanian Independence Day.
672	11/26	Delegation to Caribbean Commission meeting.
673	11/26	Protest note to Communist China.

*Not printed.

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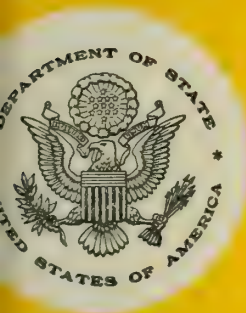
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bulletin

V. XXXI, No. 807
December 13, 1954



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The Department of State bulletin

Vol. XXXI, No. 807 • PUBLICATION 5688

December 13, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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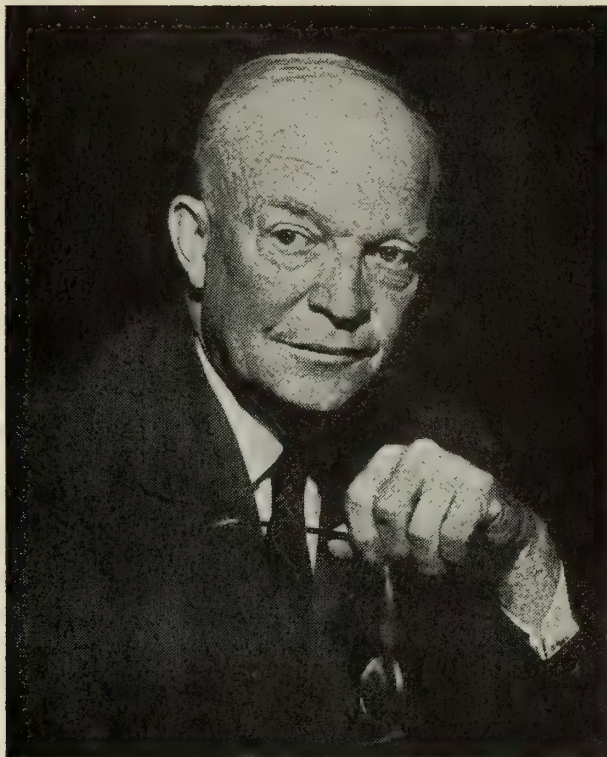
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

The Courage To Be Patient

STATEMENT BY THE PRESIDENT ¹



I want to talk for just a moment, with your indulgence, about 13 American prisoners.² And you cannot possibly talk about them in any isolated sense.

The world is in an ideological struggle, and we are on one side and the Iron Curtain countries are on the other.

This struggle we now are in we call the "cold war." The great hope of mankind is that we can find methods and means of progressing a little bit, even if by little steps, toward a true or real peace and that we do not go progressively toward war.

Now, on our side we must make certain that our efforts to promote peace are not interpreted as appeasement or any purchase of immediate favor at the cost of principle. We

must, on the other hand, be steady and refuse to be goaded into actions that would be unwise.

To fit this incident into the global picture, let me remind you, these prisoners have been held by the Chinese for 2 years, so their selection of a time of announcement was, of course, a deliberate act. In fact, we find little evidence in all of the actions of the Communist states that indicates any haphazard actions on their part. Everything they do is deliberate and well thought out.

Now, I do not mean to say that everything in Russia is completely coordinated with everything that is happening in China. I do say that, when one of these governments permits anything to happen or makes any announcement, it does it deliberately and with a deliberate purpose.

If this is a deliberate attempt out there, as it appears to be, to goad us into some impulsive action in the hope of dividing us from

¹ Made at a White House news conference on Dec 2.

² For texts of U.S. protests in the case of the Americans imprisoned by Communist China, see BULLETIN of Dec. 3, 1954, p. 856.

our allies, breaking down and destroying all the work that has been going on over the past years to build up a true coalition of free governments, then it certainly makes a mockery of the softer tone that has been used in Russia toward Western Europe at times lately, even approaching the tone of blandishment.

We must not forget what the aims of communism have always been, announced by themselves: to divide the free world, to divide us among ourselves as the strongest nation of the free world, and, by dividing, to confuse and eventually to conquer, to attain through those means their announced aim of world domination.

Now, for us there are two courses, and here I should like, in a way, to talk a little bit personally: in many ways the easy course for a President, for the administration, is to adopt a truculent, publicly bold, almost insulting attitude.

A President experiences exactly the same sentiments, the same anger, the same kind of sense of frustration, almost, when things like this occur to other Americans, and his impulse is to lash out.

Now, I want to make quite clear that, when one accepts the responsibilities of public office, he can no longer give expression freely to such things; he has got to think of the results. That would be the easy way for this reason: those actions lead toward war.

Now, let us think of war for a second. When this nation goes to war, there occurs automatically a unification of our people.

Traditionally, if we get into trouble that involves war, the nation closes ranks behind the leader, the job to do becomes simply understood—it is to win the war. There is a real fervor developed throughout the nation that you can feel everywhere you go. There is practically an exhilaration about the affair.

The great Lee said, "It is well that war is so horrible; if it were not so, we would grow too fond of it," because in the intellectual and spiritual contest of matching wits and getting along to see if you can win, there comes about something, an atmosphere is created, and an attitude

Possible Blockade of Red China

Press release 684 dated December 1

At his news conference on December 1 Secretary Dulles was asked under what changed conditions the United States might consider a blockade of Red China. Mr. Dulles replied:

I said in my speech in Chicago¹ that we think it our duty to exhaust all methods short of warlike action in an effort to sustain the rights of our nation and of our citizens. Now, if those methods fail, then we would have to reconsider the situation. Personally, I have a good deal of confidence that those methods will not fail, but it is not possible to predict with any certainty.

Asked whether such a blockade would be taken up through the United Nations, Mr. Dulles replied:

The United Nations Charter contains provisions that under certain circumstances the Security Council can ask for a blockade of a recalcitrant nation. That is a possibility. Of course, that possibility is considerably dimmed by the fact that the Soviet Union sits on the Security Council, and it would be my guess, at least, that it would veto such a proposal.

Asked how serious the possibility of a naval blockade is after peaceful methods have been exhausted, Mr. Dulles replied:

I don't think I could say how serious the possibility is. I merely wanted to make clear in the speech that I made at Chicago night before last that, while we were loyally going to try, in accordance with our charter obligations, to settle this dispute by peaceful and nonviolent means, if those efforts fail and we don't get adequate cooperation from other members of the United Nations, then we would feel disposed to re-examine the whole situation without commitment as to what we might do. I wanted to negative the idea that we were precipitately going to rush into warlike action. On the other hand, I did not want to close any doors against possible future developments. I don't anticipate that matters will reach a point where that would be deemed appropriate national conduct. But, on the other hand, one can never tell, and I did not want to slam any doors unnecessarily.

¹ See p. 890.

is created to which I am not totally unfamiliar.

But, ladies and gentlemen, I have also had the job of writing letters of condolence by the hundreds, by the thousands, to bereaved mothers and to bereaved wives and others who have lost dear ones on the battlefield.

Now, that is a very sobering experience, and

it means that, if we are going ever to take such a fateful decision as leads us one step toward war, let us by no means do it in response to our human emotions of anger and resentment. But let us do it after we have prayerfully considered it and found, as Wilson expressed it, "no other means of protecting our rights."

Let us recognize that we owe it to ourselves and to the world to explore every possible peaceable means of settling differences before we even think of such a thing as war.

And the hard way is to have the courage to be patient, tirelessly to seek out every single avenue open to us in the hope even finally of leading the other side to a little better understanding of the honesty of our intentions. And there is no question, they honestly, in certain instances, do question our intentions. They do not believe always, or at least universally, that we are peaceably inclined.

We have got a job of our own yet to do. As well as demanding action from others, we must have the courage and the patience to keep after this kind of thing.

Now, I just want to say one word about the idea of blockade. It is possible that a blockade is conceivable without war. I have never read of it historically.

A blockade is an act in war intended to bring your adversary to your way of thinking or to his knees. In fact, in the rules of war that were studied in my former life, there was clearly established the conditions that must prevail before you could legally proclaim a blockade. You couldn't, even if you were a belligerent, merely say, "We blockade Antarctica," or any other country. You had to make the blockade effective, and you were not justified in stopping

anyone's ship unless you had the means present at the spot to make that blockade effective, indicating that the word "blockade" is, so far as I know, an act of war, a part of war.

I have not checked this idea with the constitutional lawyers, but I believe it to be true. So far as I am concerned, if ever we come to a place that I feel that a step of war is necessary, it is going to be brought about not by any impulsive individualistic act of my own, but I am going before the Congress in the constitutional method set up in this country and lay the problem before them, with my recommendation as to whatever it may be.

In the meantime, I have got one thought that I must express: At least 11 of these soldiers, by the Communists' own propaganda and testimony made public, were in uniform. They were soldiers captured in the Korean war.

Consequently, they were to be treated as prisoners of war under the terms of the armistice.

Moreover, those men were there in conformity with obligations incurred under the United Nations and were there, in fact, in accordance with the specific request and resolution of the United Nations.

How the United Nations can possibly disabuse itself of a feeling of responsibility in this matter, and retain its self-respect, I wouldn't know; and so I think that the United States does not stand alone, merely indicating that we are yet far from exhausting all of our resources. I mention only one of those that is available to us.

So far as the honor of the United States is concerned, I merely hope that I shall not live long enough to find myself accused of being insensitive to the honor of the United States and the safety of her men and soldiers, no matter where we send them.

The Goal of Our Foreign Policy

Address by Secretary Dulles¹

Ten days ago at the White House I discussed our foreign policy with the congressional leaders of both parties, Republicans and Democrats. Afterward the President told me he thought it would be a good idea for me to report also to the American people.

It is not easy to compress the whole story into a short talk. But I shall do my best.

Let me begin by emphasizing the goal of our foreign policy—it is to enable you and me and our children to enjoy in peace the blessings of liberty. That purpose is back of everything we do.

The task is not an easy one, for international communism threatens both peace and liberty, by many means, at many places.

Coexistence

One ever-present danger is the danger of being fooled into dropping our guard before the peril is really past.

The international Communists are masters at the trick of using words which mean one thing to them and another thing to us.

It took us time to learn that the word "democracy" means, to Communists, a dictatorship—what they call "dictatorship of the proletariat."

It took us time to learn that the word "peace" means, to international Communists, a world of conformity—conformity with a pattern of conduct prescribed by Moscow.

Now the tricky word is "coexistence." To us it means tolerance of differences. It remains to be seen what it means to international Communists.

¹ Made before the National 4-H Club Congress at Chicago, Ill., on Nov. 29 (press release 674).

It is true that the Russian Communists have recently talked more softly. But it is equally true that the Chinese Communists have talked and acted with increasing violence. They break their armistice agreements and they outrage the elemental decencies of international conduct.

Perhaps international communism is trying by a new way to divide the free nations. They seek to be soothing in Europe. They are provocative in Asia.

Our Nation will react, and react vigorously, to the outrages against our citizens but without allowing ourselves to be intemperately provoked into action which would be a violation of our international obligations and which would impair the alliance of the free nations. What has happened is a challenge to us, and indeed to all who want peace, to find ways, consistent with peace, to sustain international rights.

We have agreed, by the United Nations Charter to try to settle international disputes by peaceful means in such a manner that international peace is not endangered. Therefore, our first duty is to exhaust peaceful means of sustaining our international rights and those of our citizens, rather than now resorting to war action such as a naval and air blockade of Red China.

Of course, we look anxiously for signs of real change in the attitude of international Communists. We hope that the day will come when they will renounce the effort to rule the world by methods of force, intimidation, and fraud. When that new day dawns, we shall greet it eagerly. But we want to be sure that we do not mistake a false dawn for the real dawn.

There is still a vast Russian military establish-

ment, far in excess of any defensive needs. The Chinese Communists are still aggressive. There is still, in every free country, a Communist apparatus seeking to overthrow the established order.

Therefore, we must remain vigilant. We must have policies to meet both the military risk and the subversive risk, and we do have such policies.

Defense of U.S. Against Armed Attack

There are some people in the United States, and there are more in other lands, who contend that it is wrong to be ready and able to fight. They say that the true peace-lovers should be unarmed and neutral.

We have tried that, and it did not work.

We were unarmed and neutral in 1914 when the First World War came. The aggressors felt that they could count us out.

We were unarmed and neutral in 1939 when the Second World War came. Again the aggressors thought they could count us out.

The Korean war came after we had largely disarmed and withdrawn our troops from Korea, and the aggressors thought that they would be unopposed.

Today we take a different view. We believe that the greatest contribution we can make to peace is to be ready to fight, if need be, and to have the resources and the allies to assure that an aggressor would surely be defeated. That does not mean being truculent or provocative or militaristic. It does mean seeking peace not only with the heart but also with the mind.

In that mood, we make military preparations which, we believe, will deter war. That requires, basically, that a potential aggressor shall not think that aggression is a paying proposition. He must know that he cannot destroy the United States by sudden attack and that we have the capacity to counterattack.

So we are developing continental defense in a major way. It will consist of an elaborate series of early warning systems and interceptors which apply the latest scientific knowledge. These should enable us to knock down a very high percentage of any Red bombers engaged in hostile missions against the United States.

Then we have our Strategic Air Command which is capable of delivering retaliatory blows against vital parts of the Soviet Union. These blows, we calculate, would do damage far in excess of that

which Red planes could inflict upon the United States.

You may ask what foreign policy has to do with this. My answer is: everything. Our continental defense system depends on Canada. And the free nations cannot have effective retaliatory power to deter aggression without airfields in widely scattered places.

Therefore, a vital part of our foreign policy is to have friendly relations with many other countries so that we can work together for our common defense.

I can report that we *do* have such friendly relations and that, as a result, we can make it unprofitable for any nation to attack the United States.

Defense of Others Against Armed Attack

Of course, we could not have that relationship if we thought only of ourselves. The relationship must be for the common good. So the common defense includes many areas outside the United States.

It is particularly important that the great oceans should be dominated by free and friendly nations. We have made this clear by a series of security treaties. The Atlantic area is covered by the North Atlantic security treaty. The Pacific area is covered by a series of treaties, some still in process of consummation, which cover Japan, the Republic of Korea, the Ryukyus (Okinawa), Formosa, the Philippines, Australia and New Zealand, and parts of Southeast Asia.

To back up these treaty words, there are local forces. In some cases the local forces which seem necessary are larger than the local governments can support. If so, we help out. That, however, is not a "handout." It is something called "foreign aid," although I dislike that phrase. The correct and better phrase is "mutual security."

Western Europe, with its vast industrial power, is a prize of first order to any who seek world domination. So it requires special protection. It gets it by NATO. But NATO needs, at its core on the Continent, a greater measure of unity, with German participation. That was the purpose of the historic agreements made last month at London and Paris. These agreements should end the constant warring of European nations against themselves and at the same time provide Western Eu-

rope with effective defense. The prospect of European unity is reinforced by the recent Trieste settlement between Italy and Yugoslavia and the prospective Saar settlement between France and Germany.

In addition to local defense within treaty areas, there is striking power by air or sea. Such mobile forces are needed to deter attack because an aggressor would have a great advantage if he could attack a single locality with assurance of safety against retaliation. We must have the capacity to respond at places and by means of *our* choosing.

This, however, does not mean that any local war would automatically be turned into a general war with atomic bombs being dropped all over the map. The essential thing is that we and our allies should have the means and the will to assure that a potential aggressor would lose from his aggression more than he could win. This does not mean that the aggressor has to be totally destroyed. It does mean a capacity to inflict punishing damage. We believe that we and our allies have the power to do that. We also believe that so long as we do have that power it is unlikely that there will be armed attack upon the areas covered by our security arrangements.

There are some areas in the world which are not covered by special collective security arrangements. That is notably the case with reference to portions of Asia.

However, there are trends toward collective security in this area. For example, Turkey and Pakistan have started to create a northern tier of defense, which would block off the rich oil fields of the Middle East from easy seizure by the Soviet Union. The recent liberation of Iran from the grip of the Communist Tudeh Party, the subsequent oil settlement, and the settlement of the Suez base controversy all open up new possibilities of strength in this part of the world.

In all cases the United Nations provides an overriding shield against open aggression. This is not negligible—as Korea showed. And it is our policy to support vigorously the United Nations.

In the various ways I have outlined, the free nations are largely protected against the danger of armed attack.

The peoples of the world seem to sense this fact. That is why it is now generally felt that there is less danger of world war than seemed to be the case a few years ago.

Meeting Subversion

Let me turn now to the danger which comes from subversion. This danger is great. International communism has had great experience in fomenting political disorder. These successes are not merely measured by governments actually taken over—nearly a score—but by divisions and obstructions which Communists promote within the free world.

A first concern to us in this connection is the situation in the American Republics. The Latin American countries are in no great danger from open armed attack, but they are vulnerable to Communist subversion. We dealt with this matter at the conference which the American nations held at Caracas last March. They there adopted a declaration to the effect that it would be dangerous to the peace and security of all of the American nations if international communism should gain control of the political institutions of any one of them.²

That was a momentous declaration. It may serve the needs of our time as effectively as the Monroe Doctrine served the needs of our nation during the last century. It made clear that collective action to eradicate international communism is not an act of intervention but an act to uproot intervention.

The principle of this Caracas Declaration has a special bearing on the situation in Guatemala. There international communism had in fact gained control of the Government. The American States were about to meet with reference to this danger when the Guatemalan people themselves backed loyal elements who cut out the cancer of communism. The Communist-directed President of Guatemala ignominiously fled, and the leader of the liberation movement is now the President of Guatemala.

This Caracas Declaration, and the demonstration that the American States take it seriously, greatly protect this hemisphere against Communist subversion. The Communists know that if they should get control of the political institutions of an American State they can expect the other American States to be against them. Therefore there is less incentive to seek control than has been the case heretofore.

The American nations are also trying to achieve sounder economies. There is now taking place a

² BULLETIN of Apr. 26, 1954, p. 638.

Rio an economic conference. We hope and believe that this conference will stimulate sound measures to develop the economies and lift up living conditions. It will give practical meaning to President Eisenhower's "good partner" policy.

In Asia and Africa the dangers of subversion are great. In these continents there are countries without self-government, many of their political institutions are not yet firmly rooted, the economies are weak, and the governments often are insecure. The situation in Viet-Nam is particularly precarious today, and in North Africa the situation is troubled.

Some of the Asian nations which have recently won independence need help. But they are afraid to take it from the West because they fear that means a rebirth of Western colonialism. So they remain exposed to a brand of communism which breeds the most ruthless colonialists in history.

It must be made clear that the Asian and Western nations can work together as equals. We took a big step in that direction at the Manila Conference of last September. There both Western and Asian participants joined in a "Pacific Charter," which proclaimed their dedication to the independence and self-government of all peoples everywhere, able to discharge those responsibilities.³

That was an important step toward laying the ghost of Western colonialism, which still so frightens some free Asian countries that they hesitate to accept helpful association with the West.

Economic Policies

There is also need for economic policies which will help to develop all underdeveloped countries. In the Communist countries developments are achieved through a system of forced labor akin to slavery. Living standards are kept very low, and the people are forced to work very hard. In this way, heavy industry is developed. It is a cruel system and is primarily for war purposes. It does, however, have a certain fascination for the peoples of undeveloped countries who feel that their own economies are standing still.

In a free society it is normal that the developed countries lend money to the underdeveloped countries. Our United States, in its early days, was partially developed by European capital. Today

it is the United States which has the most capital available to help to develop other countries. We must find a way to put it to work. This is good business, for provident loans are usually repaid and experience shows that we all profit from an environment of prosperity.

I should mention in this connection President Eisenhower's plan for putting atomic energy to peacetime purposes. This plan, when announced at the United Nations last December, stirred a tremendous response. For nearly a year we tried to get the Russians to contribute to the plan. I personally discussed it several times with Mr. Molotov. However, they refused. Then this fall we said we would go ahead with others, leaving the Russians out. Now it seems that, after all, they want to come along.

By this Eisenhower plan our Nation reappears in its historic role. We have discovered new possibilities for human welfare and are putting our knowledge at the peaceful service of all mankind.

The Captive Peoples

There is one final aspect of our policies to which I would allude. We believe, as Abraham Lincoln said, that our Declaration of Independence promises "liberty, not alone to the people of this country, but hope for the world for all future time."

Today a third of the human race is in fearful bondage to Communist dictatorships. But we do not regard that as immutable.

There is, we know, vast human discontent among the 800 million people whom international communism rules. That comes from the enslavement of labor, the suppression of religion and of individual initiative, and the national humiliation of the satellite countries.

Liberation normally comes from within. But it is more apt to come from within if hope is constantly sustained from without. That we are doing in many ways.

A significant recent development has been the Soviet change of policy toward Yugoslavia. In 1948 Yugoslavia broke free from the grip of international communism and reasserted its own nationalism.

Until recently the Yugoslav Government and nation were threatened and reviled by the international Communists of neighboring Hungary, Rumania, and Bulgaria. Now, however, the Soviet Union treats Yugoslavia with deference while

³ *Ibid.*, Sept. 20, 1954, p. 393.

it continues to treat with contempt the puppet governments of Hungary, Rumania, and Bulgaria. That may embolden the satellites to demand a measure of independence.

Developments clearly portend the change, at some time, of the absolute rule which international communism asserts over the once free nations of Europe and Asia.

Conferences

Our policies do not exclude international conferences, even with those who are hostile to us. In that way we ended the Korean war. The scope of conferences with the Soviet Government is necessarily limited by our attitude toward the captive peoples, for the Soviets know that we will not make any deal which would condone and perpetuate the captivity of men and nations.

Also, we do not want to talk with the Soviet representatives when their only purpose is to divide the free nations and prevent their taking necessary measures for their own security.

We had one such meeting at Berlin last January and February. The ostensible purpose was to unify Germany and to liberate Austria. In fact, the Soviet Foreign Minister only sought to block the plans for Western European security.

We do want to find out whether the Soviet Union will sign the Austrian treaty and whether, after the London and Paris accords are ratified, it will talk seriously about uniting Germany. That is the purpose of a note we delivered to the Soviet Government today.⁴

We are also, of course, deeply interested in the limitation of armaments. A principal purpose of the London-Paris accords is not merely to create defensive strength in Western Europe but to limit and control that strength so that it can never be an aggressive force. There opened today at Moscow a so-called "security conference" where the Soviet leaders will talk to their puppets and they in turn will respond as ordered. We shall see whether the Soviet Union takes this occasion to match the West by imposing reasonable limits on military establishments in that part of Europe which it controls.

There is often a tendency on the part of free peoples to see their own faults and weaknesses and to exaggerate the strength and successes of others. Of course, we should subject ourselves to

⁴ See p. 901.

constant self-criticism. That is the way to betterment.

We need not, however, feel that we are now failing in the great struggle which has been forced upon us. We are entitled to be confident because we are strong in ourselves and strong in the good partnership we have with our allies.

The reality of the matter is that the United States, by every standard of measurement, is the world's greatest power not only materially but spiritually. We have national policies which are clear and sound. They fit a civilization based on religious faith. They are strongly implemented but at a cost we can afford to live with. They have evolved on a nonpartisan basis, and, in broad outline, they are overwhelmingly backed by our people. Such policies, I am supremely confident will peacefully prevail.

Mutual Defense Treaty With Korea Enters Into Force

Press release 650 dated November 17

The Mutual Defense Treaty between the United States and the Republic of Korea entered into force upon the exchange of instruments of ratification by Secretary of State Dulles and Korean Ambassador You Chan Yang in Washington on November 17.¹

The treaty was signed in Washington on October 1 of last year. It was approved by the United States Senate on January 26, 1954, and by the National Assembly of the Republic of Korea on January 15, 1954. It was ratified by President Eisenhower on February 5, 1954, and by President Rhee on January 29, 1954.

The treaty is a defense treaty dedicated to peace. It is intended to deter aggression and thus to help maintain peace and security in the Pacific area. It constitutes another step in the development of a Pacific security system, complementing earlier treaties which have entered into force with Australia and New Zealand, the Philippines, and Japan. It is in full conformity with the objectives and principles of the Charter of the United Nations.

The text of the protocol of exchange of instruments of ratification is as follows:

¹ For text of treaty, see BULLETIN of Aug. 17, 1953, p. 204 and Jan. 25, 1954, p. 131, footnote 2.

The undersigned, John Foster Dulles, Secretary of State of the United States of America, and Dr. You Chan Yang, Ambassador Extraordinary and Plenipotentiary of the Republic of Korea to the United States of America, being duly authorized thereto by their respective Governments, and having met together for the purpose of exchanging the instruments of ratification of the Mutual Defense Treaty between the United States of America and the Republic of Korea, signed at Washington on October 1, 1953, and the respective instruments of ratification of the treaty aforesaid having been compared and found to be in due form, the exchange thereof took place this day.

The ratification of the Government of the United States of America of the Treaty recites and is subject to the understanding contained in the resolution of January 26, 1954 of the Senate of the United States of America advising and consenting to ratification of the Treaty, the text of which understanding was communicated by the Government of the United States of America to the Gov-

ernment of the Republic of Korea and which reads as follows:

"It is the understanding of the United States that neither party is obligated, under Article III of the above Treaty, to come to the aid of the other except in case of an external armed attack against such party; nor shall anything in the present Treaty be construed as requiring the United States to give assistance to Korea except in the event of an armed attack against territory which has been recognized by the United States as lawfully brought under the administrative control of the Republic of Korea."

IN WITNESS WHEREOF, they have signed the present Protocol of Exchange.

DONE in duplicate at Washington, in the English and Korean languages, this seventeenth day of November, 1954.

For the United States of America:

JOHN FOSTER DULLES

For the Republic of Korea:

YOU CHAN YANG

U.S. and Republic of China Sign Mutual Defense Treaty

JOINT STATEMENT

Press release 681 dated December 1

At his news conference on December 1, Secretary Dulles read the following joint U.S.-Chinese statement, which was released simultaneously at Taipei.

The United States of America and the Republic of China have concluded negotiations for a mutual security pact. The treaty will follow the general pattern of other security pacts which the United States of America has concluded in the Western Pacific.

The treaty will recognize the common interest of the parties in the security of Taiwan and the Pescadores and of the Western Pacific islands under the jurisdiction of the United States. It will provide for inclusion by agreement of other territories under the jurisdiction of the parties. It is directed against threats to the security of the treaty area from armed attack and provides for continuing consultation regarding any such threat or attack.

This treaty will forge another link in the system of collective security established by the various collective defense treaties already con-

cluded between the United States and other countries in the Pacific area. Together, these arrangements provide the essential framework for the defense by the free peoples of the Western Pacific against Communist aggression.

Like the other treaties, this treaty between the United States and the Republic of China will be defensive in character. It will reaffirm the dedication of the parties to the purposes and principles of the Charter of the United Nations.

MESSAGE FROM PRESIDENT CHIANG

The following message from President Chiang Kai-shek of the Republic of China was transmitted to Secretary Dulles on December 1 by Ambassador V.K. Wellington Koo.

Press release 683 dated December 1

The successful conclusion of the negotiations for the Treaty of Mutual Security marks another forward step in our joint efforts to strengthen the common cause of our two countries against Communist aggression. A necessary link in the chain of Far Eastern defense has now been forged. Please accept my felicitations for your new contribution to world security.

December 13, 1954

NEWS CONFERENCE STATEMENTS

Purpose of Treaty With Republic of China

Press release 686 dated December 1

At his news conference on December 1, Secretary Dulles was asked a series of questions relating to the purpose of the treaty with the Republic of China. Asked to clarify the provision for the inclusion of other territories, Mr. Dulles replied:

The provision [article VI] is comparable to the provision in the Korean treaty. Where there is a country which we recognize and which claims rightful sovereignty over more territory than it actually controls, there we adopted the practice of providing by the treaty that it can be extended to other territory, and in the Korean treaty we provide that initially it only covers the area which is south of the armistice line but that it can be extended to other territory at a later date. The provision is comparable in this respect with regard to the Republic of China. That has reference not only to these offshore islands but possibly to other territory which might come under the effective control of the Republic of China.

Asked whether the legal position of the coastal islands is different from that of Formosa and the Pescadores, Mr. Dulles replied:

The legal position is different, as I think I pointed out in my last press conference, by virtue of the fact that technical sovereignty over Formosa and the Pescadores has never been settled. That is because the Japanese peace treaty merely involves a renunciation by Japan of its right and title to these islands. But the future title is not determined by the Japanese peace treaty, nor is it determined by the peace treaty which was concluded between the Republic of China and Japan. Therefore, the juridical status of these islands, Formosa and the Pescadores, is different from the juridical status of the offshore islands which have always been Chinese territory.

Asked whether the treaty recognized on our behalf the claim of the Republic of China to sovereignty over the mainland of China, Mr. Dulles replied:

It does not deal specifically with that matter one way or another.

Asked whether we currently recognize the claim, the Secretary replied:

We recognize the Republic of China as the only lawful Government of China, just as we recognize and the United Nations recognizes, the Government of the Republic of Korea as the only lawful government in Korea. We recognize the Government of the Federal Republic of Germany as the only lawful government of Germany. Our position is similar in these respects.

Asked whether, under this extension provision if the Republic of China did make a successful landing and controlled some territory on the Chinese mainland, this treaty would be extended to cover that, Mr. Dulles replied:

Not automatically. It could be extended by fresh agreement.

Asked about the position of the United States with respect to the offshore islands, Mr. Dulles replied:

The position on the offshore islands is unaffected by this treaty. Their status is neither promoted by the treaty nor is it demoted by the treaty. As I have said several times, the injunction to our armed forces is to defend Formosa and the Pescadores. Now, whether or not in any particular case the defense of these offshore islands by reason of the nature of those islands or the nature of the attack against them is such that it is deemed part of the defense of Formosa, that would be a matter which on the first instance at least the military people would advise, and the President would probably make the final decision.

Asked whether the treaty changes the status quo the Secretary replied:

Yes. Because it puts Formosa and the Pescadores in precisely the same category, as far as their treaty relationship to the United States is concerned, as the Republic of Korea, Japan, the Philippines, Australia, and New Zealand. It makes it clear beyond a peradventure of a doubt as far as we are concerned that Formosa and the Pescadores are not on the bargain counter for international trading.

If any people have felt, because Formosa was the only portion of the so-called offshore island chain

which was not covered by treaty, that that omission indicated that perhaps we were willing to make some deal which might return Formosa to Communist China, or something of that sort, this makes it perfectly clear that those islands are not for trade or bargain or anything else. This makes it clear that they are tied by treaty to the United States in the same way, as I say, as these other areas, such as Korea and Japan, that we have our security treaties with.

We will have a series of security treaties which cover the entire arc that runs beginning with northern Japan down through Korea, and our position in the Ryukyus under the Japanese peace treaty, and Formosa and the Pescadores. In addition, we have the treaty with the Philippines, we have a treaty with Australia and New Zealand, and we have the negotiated treaty, subject to ratification, with portions of Southeast Asia. They are all now in a similar status as far as their security relationship to the United States is concerned.

Asked whether the purpose of the treaty is more diplomatic than military, Mr. Dulles replied:

It has a diplomatic purpose, which I have outlined, and which is very considerable. From a purely military standpoint, it changes the situation in this respect, perhaps, that the authority of the President to use there the armed services of the United States, which originally derive from the Korean war, may be tending to become obsolete from the lapse and passage of time, and the conclusion of the armistice in Korea.

This gives the Congress of the United States, through the Senate, an opportunity to indicate that it shares the view that this area is important from the standpoint of the peace and security of the United States. In that respect it clarifies the position from the standpoint of defense, from the standpoint of internal constitutional considerations.

Asked whether this treaty also is designed to bring further stability to this area, Mr. Dulles replied:

I hope that that will be the result. I think that many people have had a question, including the Chinese Communists, as to whether we were really serious about the defense of Formosa. I think it

now takes it out of the realm of speculation and I hope out of the area of probing, and will tend, I think, to stabilize conditions there. Certainly that is our hope.

Asked whether there is any understanding in connection with this treaty that the Chinese Nationalists before attacking the mainland must consult with us and act only by agreement with us, Mr. Dulles replied:

We expect that there will be worked out practical arrangements so that neither will take action in this area which would jeopardize the other and that we would in general act in an agreed pattern of conduct. Having undertaken to defend the islands, we would not expect, nor would the Chinese Nationalists expect, to act rashly in a way to jeopardize the islands. We anticipate that under the operative clause of the treaty there will be a good deal of consultation and agreement as to just how the situation is handled.

Asked the difference between having this treaty with Formosa and having Formosa included in the Southeast Asian treaty, Mr. Dulles replied:

Well, from the standpoint of the United States there is no particular difference. It was not practical to bring about actually the inclusion of this area in the Southeast Asian treaty area because of the fact that some of the parties to that treaty were not prepared to take that step. But the legal situation created is substantially the same, as far as the United States is concerned.

Asked whether the treaty provides or envisages any change in our military relationship, any expansion of the Military Assistance Advisory Group there, or any military base rights on Formosa, Mr. Dulles replied:

It will provide that we can by mutual agreement have base rights on Formosa. The provision in that respect will be similar to that in the Korean treaty.

Asked whether an attack on Nationalist Chinese ships would be considered an attack on China, Mr. Dulles replied:

That is not provided in the treaty. The treaty in that respect is, as I say, quite similar to the treaties that have already been made in that area.

It is quite like the Korean treaty. There is no specific reference, as far as I now recall, to an attack upon ships or upon aircraft.

Asked whether the treaty provided that, if Communist China attacks Formosa, the United States will counterattack on the mainland, Mr. Dulles replied:

That would be a probable result. I have made clear a good many times, including my talk night before last, that we believe that, if there is an attack, there must be a certain liberty, by mobile forces, to retaliate at the places and means of our choosing. That principle we have enunciated with reference to our various treaties. We did in connection with the Southeast Asia treaty. That is a general principle which is applicable to our policy and tactics at the present time.

We would take retaliatory action. Now the scope of that I would not want to foresee. As I said in my talk the other night, that retaliatory action is not necessarily general war. It does not mean every local attack becomes a general war with atomic bombs being dropped all over the map. It is a retaliation of sufficient severity to make it clear that the aggressor cannot gain by his attack more than he loses. I think that is the important principle to establish. It is the same principle that we have in our own community life. We don't have a death sentence for every crime. We try to fit the penalty to the crime, and that would mean that a retaliatory action would presumably be limited in scope with regard to the gravity of the offense.

Asian Pact

Press release 685 dated December 1

At his news conference on December 1 Secretary Dulles was asked whether consideration was being given, now that negotiations for a security pact with the Republic of China had been concluded, to tying all the Pacific pacts into one overall Asian pact. Mr. Dulles replied:

I have often expressed the hope that these treaties could develop in a more comprehensive manner. There are very great difficulties in the way of accomplishing that. The biggest step forward was taken at Manila by the Southeast Asian treaty, where a group of eight countries came together. Otherwise it has seemed impractical to operate except on a bilateral basis, except in the

case of Australia and New Zealand, which is on a trilateral basis. But the differences between the different areas are so considerable and the lack of homogeneity is such that it is not easy to bring them together. We can bring them together with us, but it is much harder to bring them together as between themselves. There are very considerable differences, as you know, which exist as between Korea and Japan and between certain other countries that we have treaty relations with and the Republic of China, so that it is hard to tie it all together at the present time. All I can say is that we have that as a goal and I think that we are going steadily in that direction.

STATEMENTS AT SIGNING

Press release 689 dated December 2

Secretary Dulles

It is a great pleasure to welcome Foreign Minister Yeh, Ambassador Koo, and the members of his staff here this afternoon for the signing of the Mutual Defense Treaty between the United States and the Republic of China. I wholly concur in what President Chiang Kai-shek said in his message to me yesterday, that "a necessary link in the chain of Far Eastern defense has now been forged." It is my hope that the signing of this defense treaty will put to rest once and for all rumors and reports that the United States would in any manner agree to the abandonment of Formosa and the Pescadores to Communist control. The signing of this treaty is not only an expression of the good will and friendship existing between the Governments of the United States and of Free China but also of the abiding friendship of the people of the United States for the Chinese people.

Foreign Minister George K. C. Yeh

It has been my privilege and honor to be associated with Mr. Dulles in the making and signing of this Treaty of Mutual Defense between my country and the United States of America. I am happy to recall that throughout the negotiations for this treaty, conducted at Taipei and Washington, we have been guided by the principle of mutual equality and the spirit of friendly cooperation.

It is the hope of my Government that this treaty will serve to promote the common cause of freedom, particularly at this juncture of the world situation.

TEXT OF TREATY

Press release 691 dated December 2

Mutual Defense Treaty Between the United States of America and the Republic of China

The Parties to this Treaty,

Reaffirming their faith in the purposes and principles of the Charter of the United Nations and their desire to live in peace with all peoples and all Governments, and desiring to strengthen the fabric of peace in the West Pacific Area,

Recalling with mutual pride the relationship which brought their two peoples together in a common bond of sympathy and mutual ideals to fight side by side against imperialist aggression during the last war,

Desiring to declare publicly and formally their sense of unity and their common determination to defend themselves against external armed attack, so that no potential aggressor could be under the illusion that either of them stands alone in the West Pacific Area, and

Desiring further to strengthen their present efforts for collective defense for the preservation of peace and security pending the development of a more comprehensive system of regional security in the West Pacific Area,

Have agreed as follows:

ARTICLE I

The Parties undertake, as set forth in the Charter of the United Nations, to settle any international dispute in which they may be involved by peaceful means in such a manner that international peace, security and justice are not endangered and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations.

ARTICLE II

In order more effectively to achieve the objective of this Treaty, the Parties separately and jointly by self-help and mutual aid will maintain and develop their individual and collective capacity to resist armed attack and communist subversive activities directed from without against their territorial integrity and political stability.

ARTICLE III

The Parties undertake to strengthen their free institutions and to cooperate with each other in the development of economic progress and social well-being and to further their individual and collective efforts toward these ends.

ARTICLE IV

The Parties, through their Foreign Ministers or their deputies, will consult together from time to time regarding the implementation of this Treaty.

ARTICLE V

Each Party recognizes that an armed attack in the West Pacific Area directed against the territories of either

of the Parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes.

Any such armed attack and all measures taken as a result thereof shall be immediately reported to the Security Council of the United Nations. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

ARTICLE VI

For the purposes of Articles II and V, the terms "territorial" and "territories" shall mean in respect of the Republic of China, Taiwan and the Pescadores; and in respect of the United States of America the island territories in the West Pacific under its jurisdiction. The provisions of Articles II and V will be applicable to such other territories as may be determined by mutual agreement.

ARTICLE VII

The Government of the Republic of China grants, and the Government of the United States of America accepts, the right to dispose such United States land, air and sea forces in and about Taiwan and the Pescadores as may be required for their defense, as determined by mutual agreement.

ARTICLE VIII

This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of the Parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security.

ARTICLE IX

This Treaty shall be ratified by the United States of America and the Republic of China in accordance with their respective constitutional processes and will come into force when instruments of ratification thereof have been exchanged by them at Taipei.

ARTICLE X

This Treaty shall remain in force indefinitely. Either Party may terminate it one year after notice has been given to the other Party.

In witness whereof the undersigned Plenipotentiaries have signed this Treaty.

Done in duplicate, in the English and Chinese languages, at Washington on this second day of December of the Year One Thousand Nine Hundred and Fifty-four, corresponding to the second day of the twelfth month of the Forty-third Year of the Republic of China.

FOR THE UNITED STATES OF AMERICA:

JOHN FOSTER DULLES

FOR THE REPUBLIC OF CHINA:

GEORGE K. C. YEH

Rejection of Charges of Interference With Soviet Commercial Vessels

Press release 676 dated November 29

U.S. Note of November 29

Following is the text of the U.S. reply to the Soviet note of August 4, 1954, delivered by the American Embassy at Moscow to the Soviet Ministry of Foreign Affairs on November 29.

A careful investigation of the charges contained in the referenced note has been made by the United States military authorities. This investigation has shown that no American military aircraft operating over the high seas of the Pacific Ocean, the area designated in the note, has engaged in hostile or provocative acts towards Soviet commercial vessels.

The incidents mentioned in the note apparently refer to the identification by United States naval aircraft of commercial vessels operating on the high seas around the Island of Formosa. The United States denies that the identification of shipping by United States naval aircraft is a violation of the freedom of commercial navigation on the high seas, as asserted in the Soviet note, or otherwise is illegal or in violation of international law.

Identification of all vessels in this area is made in order to detect the presence of ships whose mission might be hostile to the Seventh Fleet of the United States Navy. The Seventh Fleet was ordered by the President of the United States on June 27, 1950 and again on February 3, 1953 to patrol the waters around Formosa in order to prevent an attack on that island. The mission of the Seventh Fleet has been and will continue to be to contribute to the security of the Far East. The United States reaffirms its intention to devote its efforts to the maintenance of peace and stability in that area and hopes that the Soviet Government will direct its own efforts and influence to the same end.

Soviet Note of August 4

[Unofficial translation]

In connection with the illegal detention of the Soviet tanker *Tuapse* by a warship in the vicinity of the Island of Taiwan, in waters controlled by the U.S. Navy, it is

impossible not to call attention to the fact that over an extended period of time American military aircraft have systematically made flights over Soviet commercial vessels sailing the open sea around Taiwan.¹ Appearing in dangerous proximity to Soviet vessels, these airplanes fly over vessels at low altitude and sometimes circle above them for an hour.

Such provocative acts by American military aircraft constitute a clear violation of the freedom of commercial navigation in the open sea and bear witness to U.S. military authorities' complete disregard for the generally accepted norms of international law.

Moreover, it is completely evident that actions of this nature by American military aircraft are also intended for signalling so that warships may attack Soviet merchant vessels. In particular, evidence of this is furnished by the circumstances connected with the seizure of the Soviet tanker *Tuapse* on June 23 in the vicinity of Taiwan.

1. On June 11 at 1303 hours, in the South China Sea at a point with coordinates 14 degrees 27 minutes north latitude and 115 degrees 27 minutes east longitude, and again at 1505 hours at a point with coordinates 14 degrees 40 minutes north latitude and 115 degrees 38 minutes east longitude, an American military airplane twice circled at low altitude the Soviet vessel *Mikhail Kutozov*. On June 12 an American airplane circled the same vessel several times at a point with coordinates 16 degrees 29 minutes north latitude and 117 degrees 29 minutes east longitude.

2. On June 14, southeast of Taiwan at a point with coordinates 21 degrees 16 minutes north latitude and 121 degrees 44 minutes east longitude, two American military aircraft for a period of an hour circled the Soviet vessel *Mikhail Kutozov* at altitudes of from 60 to 400 meters.

3. On June 16 at 1857 hours, east of Taiwan at a point with coordinates 25 degrees 00 minutes north latitude and 123 degrees 49 minutes east longitude, an American airplane circled the Soviet vessel *Kemerovo* at an altitude of 30 meters.

4. On June 23 at 1000 hours, in the South China Sea at a point with coordinates 8 degrees 00 minutes north latitude and 109 degrees 14 minutes east longitude, an American airplane several times circled the Soviet tanker *Leningrad* at low altitude. On June 24 at 1130 hours an American airplane seven times circled the same vessel at an altitude of 60 meters at a point with coordinates 11 degrees 53 minutes north latitude and 112 degrees 58 minutes east longitude.

5. On June 24 at 0530 hours, in the vicinity of Taiwan at a point with coordinates 24 degrees 30 minutes north latitude and 127 degrees 05 minutes east longitude, an American airplane made several circles over the Soviet tanker *Apsheron* at low altitude.

Similar flights over Soviet merchant vessels by American military aircraft are also being made in other regions of the Far Eastern seas and the Pacific Ocean.

Drawing the attention of the Government of the United States to the impermissibility of such illegal acts by American aircraft with regard to Soviet merchant vessels sailing the open sea, in particular in the vicinity of the Island of Taiwan, the Soviet Government expects that necessary measures will be taken by the Government of the United States to terminate violations by American military aircraft of the freedom of commercial navigation on the open seas.

¹For texts of U.S. notes rejecting the charges of the Soviet Government in connection with the *Tuapse*, see BULLETIN of July 12, 1954, p. 51, and July 26, 1954, p. 131

U.S. Reply to Soviet Proposals on European Security

U.S. NOTE OF NOVEMBER 29

Press release 675 dated November 29

Following is the text of the United States reply to the Soviet notes of October 23 and November 13, delivered by the American Embassy at Moscow to the Soviet Ministry of Foreign Affairs on November 29. Parallel notes were delivered by the British and French Governments.

The United States Government, in consultation with the French and British Governments, with the other NATO Governments and with the German Federal Government, has considered the note of October 23 in which the Soviet Government proposed a meeting of the Foreign Ministers of the four powers in November. They have at the same time, in consultation with the interested governments, considered the Soviet Government's note of November 13 proposing a conference "on the question of creating a system of collective security in Europe."

The United States Government is disappointed to find that, except for a suggestion for the hurried convocation of a European conference on November 29, neither of the Soviet notes contains any new proposal, whether on Germany, Austria or European security, which has not already been considered by the Western powers at the Berlin Conference.

The Soviet note of November 13 is openly and explicitly aimed at delaying or preventing the ratification of the Paris agreements. The United States Government for its part is resolved to bring the Paris agreements into force as soon as possible and they do not intend to be deflected from this course. The United States Government does not believe that the cause of European security can be served by the destruction of defensive associations between states inspired by the ideal of a common civilization. It would in no sense further

security to replace such associations by new organizations which would leave fundamental divergencies unresolved and would thus constitute no more than a deceptive facade. The United States is convinced that the Paris agreements provide the basis for the solution of some of the most difficult problems confronting Europe and that far from making the question of European security more difficult to solve they will serve its promotion and contribute to the cause of peace.

The unity which is being built up in the west is far broader in its scope and significance than a purely military alliance. The association of the western nations is based on their common civilization and traditions. The achievement of a close union in all fields is a deeply rooted aspiration of their peoples. It is a development of great importance in the history of Europe and is gaining in strength and purpose. By settling old rivalries and forming new ties it will promote the cause of peace in a region which in the past has given birth to so many wars.

Since the end of the war rearmament in the countries of the Soviet Bloc, including the Soviet zone of Germany, has been centrally imposed, massive and unrestricted, thus compelling the western powers to strengthen their common defense. Under the Paris agreements, however, they have of their own free will accepted a system of controls, limitations and prohibitions to be applied to their forces and armaments. This system is designed to prevent any member nation from having independent recourse to the threat or use of force.

As regards Germany, the United States Government has noted that the Soviet Government states that a settlement of the German problem is of decisive importance for ensuring security in Europe. In previous notes, the United States Government has emphasized that free all-German elections

are the essential first step in the process of German reunification in freedom. In its note of October 23 the Soviet Government has given no indication of its view on this point nor of its attitude towards the practical plan for the holding of early elections, which was put forward by the Governments of France, the United States and the United Kingdom at the Berlin Conference. Nor has the Soviet Government advanced specific alternative proposals. The United States Government awaits a precise indication of any concrete proposal which the Soviet Government may now have to make concerning both the timing and nature of the free all-German elections which are the essential first step for the re-establishment of a united Germany.

As regards Austria, the United States Government can see no justification for the continued denial to that country of the freedom and independence promised her by the four powers in the Moscow Declaration of 1943. The governments of the United Kingdom, United States and France expressed themselves ready at the Berlin Conference to sign the Austrian State Treaty with the Soviet text of the previously unagreed articles. The Austrian Government for its part made it plain that it concurred in this view, and this remains its position. There should therefore be no further obstacle in the way of the signature of the treaty and the termination of the occupation and the withdrawal of all foreign forces as prescribed therein. The United States Government notes with disappointment that the Soviet Government nonetheless propose a meeting at Vienna to "consider the remaining unsettled questions relating to the draft state treaty and other questions connected with the conclusion of this treaty." The United States Government is at a loss as to the nature of the questions referred to by the Soviet Government. If the Soviet Government wishes to furnish the necessary clarifications, the United States Government suggests that this could appropriately be done in exchanges between the Ambassadors in Vienna. Meanwhile, the United States Government for its part reaffirms its desire as expressed in the note of September 10¹ to proceed as soon as possible to the signature of the Austrian State Treaty.

The United States Government has on many

¹ BULLETIN of Sept. 20, 1954, p. 397.

occasions given proof of their desire to settle questions in dispute by negotiations conducted in a spirit of mutual respect for the essential interests of all the participants. They remain convinced that this is the best way of promoting the cause of peace. This cause would be ill-served by a conference ending in failure. In order that negotiations may be undertaken with a reasonable prospect of success, they consider that a basis of agreement should have been carefully prepared and established in advance. The essential basis for a useful conference whether on Germany, Austria or the remaining aspects of European security does not, in their view, at present exist.

In order to establish such a basis and to deal with the foregoing questions in due order, the United States Government proposes the following:

- (1) Agreement to sign the Austrian State Treaty;
- (2) Clarification by the Soviet Government of its position on the question of free elections in Germany which are the essential first steps to German reunification;
- (3) Exchanges through diplomatic channels on any other European questions of common interest which might suitably be examined at a later four-power meeting, in particular, questions relating to European security;
- (4) A meeting of the four-power Ministers as soon as it should appear that there is a real prospect of finding solutions and after ratification of the Paris agreements by the countries concerned;
- (5) Should it thereafter appear useful, a wider conference of European and other interested powers to consider the remaining aspects of European security.

SOVIET NOTE OF OCTOBER 23

[Unofficial translation]

In connection with the note of the U.S. Government of September 10, 1954, the Soviet Government considers it necessary to state the following:

The Government of the U.S.S.R. in its note of July 24 proposed to the U.S. Government and also to the Governments of France and England to convene an all-European conference for the consideration of the question of creating a system of collective security in Europe.² On August 4 the Government of the U.S.S.R. proposed to the Governments of the United States, France, and England to discuss this question in preliminary fashion at a confer-

² *Ibid.*, p. 398.

ence of the Ministers of Foreign Affairs of the four powers and also to continue at this conference the consideration of the German question.³

In order to assist in the solution of the problem of security in Europe, the Soviet Government introduced a draft "all-European treaty concerning collective security in Europe,"⁴ expressing at the same time readiness to consider also other proposals on this question.

In this draft it is proposed to create in Europe a system of collective security which would insure safeguarding of the peace by uniting the efforts of all interested European States regardless of their social and governmental systems. The basis of the Soviet draft all-European treaty was the principle of collective action by its participants against threats and armed attack on any state participating in the treaty and also the principle of cooperation in the economic field. This means that any attempt at aggression on the part of any state would immediately entail the application of collective sanctions against the aggressor.

By the same token the Soviet draft all-European treaty contains real guarantees of the security of France and Poland, England and the Soviet Union, of all the large and small states of Europe. At the same time it creates the most favorable conditions for the reestablishment of the national unity of Germany and for the free and peaceful development of the German state.

No state which is actually striving for the strengthening of peace in Europe can have an unfavorable attitude toward cooperation with other European States in the creation of an effective system of all-European security. As regards the Soviet Government, it proceeds, as before, from the fact that only joint efforts of the European States are capable of insuring security in Europe.

While expressing its objection to this Soviet draft, the U.S. Government did not, however, make any proposal of its own concerning the insuring of collective security in Europe but, on the contrary, as is evidenced by the facts of the recent period, continues to go along the path of forming military groupings in Europe.

At the same time the U.S. Government again came to the defense of the North Atlantic military bloc, which is alleged to have defense purposes, although numerous facts bear witness to the aggressive character of this grouping in its present form. That this military grouping is directed above all against the Soviet Union and the people's democracies is not hidden by the military leaders of the North Atlantic bloc. Attempts contained in the note of September 10 to justify the creation of this bloc by references to the presence in Eastern Europe of a "heavily armed Soviet grouping" are completely groundless since such a grouping does not exist. The fact that at the present time plans for the remilitarization of Western Germany and its inclusion in the North Atlantic grouping are being prepared only confirms the fact that the case is one of further reinforcement of the aggressive character of this grouping.

In these circumstances the Soviet Government considers

it necessary again to draw the attention of the U.S. Government to the fact that the creation of military groupings cannot assist in the strengthening of peace and security in Europe. The creation of such groupings of European States directed against other European States leads to the further increasing of international tension and is in direct contradiction to the interests of strengthening the peace in Europe. Taking this course and refusing to participate in the organization of a system of collective security in Europe, the U.S. Government assumes responsibility for the consequences of such a policy, which is inconsistent with the interests of security in Europe.

For insuring security in Europe the settlement of the German problem has decisive importance. This means that the most important and urgent problem is the reestablishment of a unified Germany as a peace-loving and democratic state and the conclusion of a peace treaty.

One must not defer the resolution of the problem of the unification of Germany, which still remains divided into two parts set off one against the other. The interests of national security of the European States, as well as the interests of the German people itself, require the resolution of the question of the unification of Germany in such a manner that the peoples of Europe will be assured that a unified Germany will not fall into the hands of mortal enemies of peace—the German militarists and revanchists—but will firmly enter upon a course of peaceful development and reestablishment of good neighborly relations with other countries.

As before, the Soviet Government considers that the holding of free all-German elections is essential for the reestablishment of a unified Germany. At these elections the German people must be able to express their free will in order that a unified Germany will be reborn as a peace-loving and democratic state.

At the Berlin Four-Power Conference, agreement was not reached on the holding of all-German elections for the reestablishment of a unified Germany. This was prevented chiefly by plans for creating a European Defense Community which provided for the remilitarization of Western Germany and its inclusion in this military grouping. The rejection by the National Assembly of France of the treaty for the establishment of a European Defense Community opened up possibilities for a reconciliation of the positions of the four powers on the question of unification of Germany and the holding for these purposes of all-German elections.

The Soviet Government expresses its readiness again to consider, taking into account the new circumstances noted above, the proposals for holding all-German elections which were introduced at the Berlin Conference by England and were supported by the United States and France. At the same time the Soviet Government assumes that the pertinent proposals of the Soviet Union will also be taken into consideration.

The Soviet Government considers that there are possibilities of reaching agreement among the powers on this question if one proceeds from the indisputable fact that the chief problem is the unification of Germany on peace-loving and democratic foundations.

In this connection the Soviet Government considers it

³ *Ibid.*, p. 402.

⁴ *Ibid.*, Feb. 22, 1954, p. 269, and Mar. 15, 1954, p. 401.

necessary especially to draw attention to those new plans for the remilitarization of Western Germany and its inclusion in a military grouping of certain Western States which became known after the conference of the nine countries in London which ended on October 3 and also in connection with separate conferences which are taking place at the present time in Paris.

In spite of obligations which were assumed by the United States, France, and England, together with the Soviet Union, concerning preventing the restoration of German militarism, according to separate agreements in London and Paris there must be created in the very near future a West German army of 500,000 men with its own sizable air force, tank formations, and military staffs. The heavy industry of West Germany, and above all of the Ruhr, is again being reorganized for the mass production of armaments. Those same generals who created the Hitlerite army, and together with Hitler carried out aggression against Czechoslovakia, Poland, France, the Soviet Union, and England, will lead the armed forces of the West German States. Under such conditions the present formal pledges of the Bonn Government regarding the limitation of numbers of the West German army and its armaments cannot be taken seriously. As recent experience shows, the German militarists and revanchists, having proceeded with the creation of their own corps and divisions, will stop at nothing to achieve an increase in the numbers and armaments of their army.

The London decisions open the way to the reestablishment of German militarism. After that the hands of West German militarists and revanchists will be freed to carry out their aggressive policy in Europe. West Germany is thus turned into a dangerous hotbed of new war in Europe.

The London decisions foresee the inclusion of a remilitarized West Germany in the military grouping of the West European States, set off against other European States. This time, in place of the earlier projected military grouping of six Western European States—France, West Germany, Italy, Belgium, Holland, and Luxembourg—there is foreseen a military grouping of these same states with the participation of England. It would be a deception of public opinion to allege that the London plan of creating new military forces would better serve the interests of the security of the peoples of Europe than the plan which miscarried of creating the European Defense Community.

The London plan also envisages the inclusion of West Germany in the North Atlantic bloc, which opens the way for German militarists to have a direct influence on the further strengthening of the aggressiveness of the North Atlantic forces. Only very recently the National Assembly of France recognized West German participation in the North Atlantic bloc as inadvisable, considering it inconsistent with the interests of security of France. All the more inconsistent with the interests of security in Europe is the inclusion of a remilitarized West Germany in the North Atlantic grouping as is envisioned by the London agreement.

These decisions, which free the hands of German militarists, are dictated by aggressive circles of the powers

which aim at a world domination on the basis of carrying out the notorious "policy of strength."

The London agreements are also inconsistent with the restoration of sovereign rights of the German people. In fact, these agreements lead not to termination of the occupation regime, as they like to contend, but to leaving occupation troops in West Germany until the year 1998, that is, until the end of the present century. West Germany would remain bound to conditions of the enslaving "Bonn Treaty."

All this shows that the London decisions, leading to the reestablishment of German militarism and the involvement of West Germany in aggressive military groupings, radically contradict the interests of maintaining peace and intensify the threat of a new war in Europe. If these decisions are implemented, Western Germany can no longer be considered a peace-loving state, which would make impossible for a long period the reestablishment of German unity. The measures mapped out in London and Paris in regard to Western Germany are in direct contradiction also to the proposals of the Governments of England and France, submitted at the United Nations this June and supported by the U. S. Government, on the question of a general reduction of armaments and the prohibition of atomic weapons.⁶

At the present time in the United Nations there are being considered not only the French-English proposals but also proposals of the Soviet Government on the question of reduction of armaments and the prohibition of atomic weapons, and the Soviet Government has proposed accepting as the basis for an appropriate international convention the above-mentioned proposals of France and England. Thus there is observed a rapprochement of the positions of the parties on this important question. The U. S. Government in its note of September 10 states its desire to contribute to the decision of the question of disarmament. It is impossible, however, at one and the same time to propose a general reduction of armaments and to carry out the remilitarization of West Germany. Such actions are incompatible. Recently, as is known, it has been possible to achieve a certain relaxation of tension in international relations. The Soviet Government proceeds from the fact that all peace-loving peoples are interested in a further relaxation of international tension. Meanwhile, the London decisions not only do not contribute to this but on the contrary will lead to a sharpening of the international situation. At present time the situation is as follows:

Either the four powers who bear special responsibility for the solution of the German problem will do everything in order to begin examination of and decide the most urgent question—the question of the reestablishment of the unity of Germany in which the German people are so interested and along with them all peace-loving peoples of Europe; or if matters reach the point of reestablishment of German militarism and the involvement of West Germany in aggressive military groupings, then the German nation for a long time will remain torn in two, and from a remilitarized West Germany there will be created a direct threat to peace in Europe.

⁶ *Ibid.*, Aug. 2, 1954, p. 182.

With a view to assisting the settlement of the German question, the Soviet Government submitted at the Berlin Conference a proposal concerning the withdrawal of occupation troops, with the exception of certain strictly limited contingents, from the territories of East and West Germany.* This proposal was connected with the conclusion of a peace treaty and with the proposal concerning all-German elections. Agreement was not reached there on this question. Desiring to assist in bringing about a rapprochement of both parts of Germany and in solving the problem of its reunification, the Soviet Government proposes to the Governments of the United States, France, and England to consider the immediate withdrawal of occupation troops from the territories of East and West Germany. Such a decision would contribute to further reduction of international tension and strengthening of peace in Europe.

Together with a decision on this question there arises the necessity for the U. S. S. R., the United States, France, and England, with the participation of the German Democratic Republic and the German Federal Republic, to reach agreement concerning the size, disposition, and armament of all types of German police in East and West Germany. This would put an end to all anxiety in regard to rearmament, in East as well as West Germany. It is known that on the part of East Germany there is no objection to this proposal and no objection to the verification on the spot of the actual situation at the present time. Refusal on the part of West Germany to accept this proposal could mean only a desire to accelerate the carrying out of plans for rearmament.

Proceeding from the foregoing, the Soviet Government submits for the consideration of the U. S. Government, as well as the Governments of France and England, a proposal for the convocation this November of a conference of the Ministers of Foreign Affairs of the United States, France, England, and the Soviet Union for the consideration of the following questions:

1. The reestablishment of the unity of Germany on peace-loving and democratic bases and the carrying out of free all-German elections.
2. The withdrawal of occupation troops of the four powers from the territory of East and West Germany.
3. The convocation of an all-European conference to examine the question of the creation of a system of collective security in Europe.

As for the conclusion of a state treaty with Austria, as is known, the Soviet Government on August 12 in a note to the Austrian Government proposed that a conference of the Ambassadors of the United States, France, England, and the Soviet Union in Vienna should, together with representatives of the Austrian Government, undertake consideration of the remaining unsettled questions connected with the conclusion of this treaty with Austria.

In its reply, the Austrian Government on October 12 communicated its willingness to take part in the above-mentioned conference. However, the Soviet Government is unaware of the point of view of the United States or of the Governments of France and England on this question. The Soviet Government would like to know if

the Governments of the three powers agree that their Ambassadors could take part in the conference in Vienna for the examination of questions connected with the conclusion of a state treaty with Austria.

SOVIET NOTE OF NOVEMBER 13

[Unofficial translation]

On October 23 agreements were signed in Paris concerning West Germany. The signing of these agreements was preceded by a meeting of the nine countries in London, participants in which agreed on separate measures regarding the German question.

The Paris agreements, in contravention of existing international agreements on Germany, make provision for the reestablishment of militarism in West Germany, the creation of West German armed forces, and the inclusion of West Germany in military groupings of certain states set off against other states of Europe.

In West Germany an army is being created which in the near future is to number 500-520 thousand men and which will have at its disposal large air and tank units and also its own military staffs. Already German militarists do not hide the fact that they regard the strength of the West German army established in accordance with the London and Paris agreements only as a base for development of still more numerous armed forces.

The West German army is being created under the leadership of those German generals who led the Hitlerite army during the years of the Second World War and who were accomplices of Fascist aggression and of the propagation of the bloody Hitlerite "New Order" in European countries.

The London and Paris agreements untie the hands of West German militarists and revanchists also for unlimited production of armaments. The armed forces of West Germany also will be permitted to have atomic weapons among their armaments, which greatly increases the threat of destructive atomic war in Europe.

The agreements make provision for the inclusion of a remilitarized West Germany in a new military grouping now being formed as the so-called Western European Union and also in the North Atlantic bloc, the aggressive character of which the Soviet Government has repeatedly pointed out.

All this is evidence that in regard to West Germany a course is being followed which is compatible neither with the task of strengthening the peace in Europe nor with the task of restoring German unity. The realization of the London and Paris agreements would mean that the unification of Germany by carrying out free, all-German elections would be sacrificed to present plans for the restoration of German militarism—that fatal enemy of the peoples of Europe including the German people itself.

With the aim of facilitating the solution of the question concerning the restoration of German unity, the Soviet Government put forth a proposal to examine the question of immediate withdrawal of occupation troops from the territory of East and West Germany. At the same time the proposal was also put forward that the number and

* *Ibid.*, Feb. 15, 1954, p. 228.

armament of all forms of German police both of West and of East Germany should be determined. As before, the Soviet Government considers that carrying out these measures would contribute to a lessening of tension in Europe.

The London and Paris agreements are incompatible with the French-Soviet Treaty of Alliance and Mutual Aid of 1944 and with the Anglo-Soviet Treaty of 1942 concerning cooperation and mutual aid after the war, which envisage taking collective measures with the objective of preventing new aggression on the part of Germany.

The Soviet Government has already drawn the attention of the states which bear the responsibility for settling the German problem to the serious danger connected with the rebirth of militarism in West Germany and with drawing the latter into military groupings. The formation of such military groupings of various states, set off against other European States, inescapably leads, as historical experience has shown, to aggravation of relations between them and, in the final reckoning, to war. Thus it was on the eve of the First World War when two mutually antagonistic military coalitions of powers were set up. Thus it was also on the eve of the Second World War, when under the aegis of Hitlerite Germany an aggressive military grouping was formed, setting itself off against other states, which in the course of the war were forced to unite their strength to turn back Hitlerite aggression.

In order to avoid such a situation, whereby Europe periodically becomes an arena of bloody and devastating wars, bringing to peoples of European States many millions of human losses and colossal material destruction, the necessity arises for creating a system of security in Europe in which all European States would be participants regardless of their social and state structure. Creation of such a system of all-European collective security would give a lasting foundation for peaceful cooperation of all European States and would guarantee their national security by their assuming obligations to settle differences arising among them by peaceful means and, in case of the development of a threat to the peace or a breach of peace, to take united action, including military action, against the aggressor.

The creation in Europe of an effective system of collective security based on the united efforts of all European States would facilitate settling the German problem. In this event there would be eliminated the now existing basic obstacle to the reestablishment of German unity which is expressed in plans for transforming West Germany into a militaristic state and including it in aggressive military groupings.

With the aim of facilitating the achievement of an appropriate agreement between the interested states, the Soviet Union early this year at the time of the Berlin Conference of Ministers of Foreign Affairs of the U.S.S.R., the United States, England, and France introduced proposals regarding basic principles of an "all-European treaty of collective security in Europe." Proposals for creating in Europe a system of collective security met with favorable reaction on the part of a num-

ber of European States. They also met with support in wide public circles both of those European States whose governments have not yet expressed their attitude toward the idea of collective security in Europe and of those states whose governments had refused to support proposals which have been advanced up to now. As is known, it has not been possible to reach necessary agreement on this important problem between the interested countries. Moreover, the interests of insuring the security of European peoples require that the course of affairs in Europe not proceed along the ruinous path of restoring German militarism and of forming in Europe military blocs of states set one against the other but along the path of creating a system of all-European security based on the consideration of the lawful interests of all states of Europe, large and small.

Plans of reestablishing German militarism and of including remilitarized West Germany in military groupings which were prepared by the London and Paris conferences cannot help but complicate the situation in Europe. The realization of these plans will inescapably cause a sharpening of relations between European States, a strengthening of the armaments race, and a significant increase of the burden of military expenditures for the peoples of Europe. In this connection it will be absolutely natural if peace-loving European peoples are forced to take new measures for insuring their security.

In order to prevent the indicated complication of the situation in Europe, which would increase the danger of war, all measures must be taken to assist in establishing a system of collective security in Europe and thus in lessening tension in international relations.

Proceeding from the foregoing, the Soviet Government considers that the necessity has arisen for calling without further delay a conference of all European States which wish to participate, and also the United States, on the question of creating a system of collective security in Europe.

Recognizing the special responsibility for maintenance of international peace and security borne by states which are permanent members of the U.N. Security Council, the Soviet Government considers it desirable for the Chinese People's Republic to send its observer to this conference.

It goes without saying that each state participating in the above-mentioned conference should be able to introduce proposals which it considers necessary in connection with the question being discussed.

The Soviet Government proposes that such a conference be convened on November 29 of this year at either Moscow or Paris.

Postponement in convening this conference would be inexpedient inasmuch as consideration of ratification of the Paris agreements is beginning in December in certain European countries. Such ratification would complicate the whole European situation in a major degree and would undermine the possibilities of settling the unresolved European problems and first of all the German problem.

The proposal for calling at Moscow or Paris on November 29 an all-European conference on the question of creating a system of collective security is shared also

by the Government of the Polish People's Republic and the Government of the Czechoslovak Republic, with which the Soviet Government has had appropriate consultations. Similar notes have been sent by the Government of the U.S.S.R. to all European States with which the U.S.S.R. has diplomatic relations. The Soviet Union proceeds on the assumption that the invitation could be sent to the

European States with which the U.S.S.R. does not have diplomatic relations by the Governments of France, England, or the United States which have diplomatic relations with such countries. The Soviet Government will be grateful to the U.S. Government for a communication regarding its participation in the all-European conference mentioned above.

Report to U.N. General Assembly on Austria

On November 19 the U. S., French, and British representatives to the United Nations transmitted to the Secretary-General the following report from their Governments to the General Assembly on the results of efforts made since 1952 to reach agreement on the terms of an Austrian State Treaty.

U.N. doc. A/2798 dated November 22

On 20 December 1952, the General Assembly of the United Nations, at its 409th plenary meeting, recalling the terms of the Moscow Declaration of 1 November 1943, whereby the Governments of the Union of the Soviet Socialist Republics, the United Kingdom and the United States of America (joined later by France) recognized that Austria should be re-established as a free and independent State, expressed its concern that negotiations towards the conclusion of an Austrian Treaty which had been under way since 1947 had failed to bring about the proposed objective. The Assembly, therefore, addressed an earnest appeal to the Governments concerned to make a renewed and urgent effort to reach agreement on the terms of an Austrian Treaty with a view to an early termination of the occupation of Austria and the full exercise by Austria of the powers inherent in its sovereignty. The General Assembly also expressed its hope that the solution of this problem would "constitute an important step towards the elimination of other areas of disagreement and therefore towards the creation of conditions favourable to the accomplishment of world peace."¹

The Governments of the United States, the United Kingdom and France have been working constantly since 1946 to obtain an acceptable Austrian State Treaty. They consider that the time has now come to report to the General Assembly on the results of the efforts made since 1952 to implement the Assembly's resolution.

In January 1953 the three Governments, in notes addressed to the Soviet Government,² welcomed the Assembly's resolution and proposed that a meeting of the Austrian Treaty Deputies be held at an early date, for the purpose of concluding an Austrian Treaty. The reply of the Soviet Government, dated 27 January 1953,³ stated that the "Soviet Government considers it necessary to call attention to the fact that both the raising of the Austrian question in the United Nations as well as the resolution adopted on this question are illegal." They added that they were prepared to take part in a meeting of representatives of the four Powers on the Austrian question, provided that the Governments of the United States, the United Kingdom and France were prepared to withdraw their proposal for an "abbreviated Treaty"⁴ and to negotiate on the basis of the draft

² *Ibid.*, Jan. 26, 1953, p. 135.

³ *Ibid.*, Feb. 16, 1953, p. 260.

⁴ It will be recalled that in 1952 the Governments of the United States, the United Kingdom and France, finding the Soviet Government unwilling to complete the work carried out on the Austrian State Treaty since 1947, submitted a very brief draft treaty which eliminated the unsettled questions of the longer version, and yet included all the essential elements needed to restore Austria's independence. [Footnote in the original.]

¹ For text of resolution, see BULLETIN of Jan. 12, 1953, p. 68.

State Treaty which had been the subject of the earlier abortive discussions. The three Governments felt it inappropriate to impose prior conditions, as proposed by the Soviet Government, regarding the scope of the new discussions. Nevertheless the three Governments reiterated their readiness to discuss any proposition which would lead to the end of the occupation.⁵ The Soviet Government continued at meetings of the Deputies on 6 and 9 February 1953, to insist on the preconditions previously stipulated and declined to negotiate on substance. They declined an invitation to a meeting of the Treaty Deputies on 27 May 1953 on the pretext that such a meeting (of which over 260 had already been held) could be called only by the Council of Foreign Ministers. The three Western Deputies denied this and reiterated that they were prepared to accept any treaty in terms which would ensure Austria's political and economic independence.⁶ On 11 June 1953, the three Governments then asked the USSR to state what kind of an Austrian settlement it was prepared to conclude.⁷ The Soviet Government ignored this request and again limited itself to a demand for withdrawal of the "abbreviated Treaty". The Soviet Government also, in notes addressed to the three Governments on 4 August,⁸ stated that "a possible successful solution of the German problem could also facilitate the solution of the Austrian question," thus apparently suggesting that hope of an Austrian Treaty must be deferred until other unrelated conditions had been met, a proposition which the three Governments were bound to oppose. On 17 August they invited the USSR to attend a meeting of the Treaty Deputies, scheduled for 31 August, and declared their preparedness not to introduce the abbreviated Treaty for consideration on the understanding that no extraneous issues would be raised.⁹ The Soviet Government chose not to attend this meeting. In late November 1953 the three Powers made yet another attempt to persuade the Soviet Government to join a discussion of the Austrian problem, offering to do so in a Foreign Ministers conference, or in a Deputies meeting, or, if the Soviet Government

should prefer, to give prompt and careful consideration to any Soviet proposals made through diplomatic channels.¹⁰ This invitation remained unanswered.

It was not until the meeting of the four Foreign Ministers in Berlin, between 25 January and 18 February 1954, that negotiations were resumed on the Austrian Treaty.¹¹ The Austrian Foreign Minister participated in these discussions. He declared Austria's readiness to pay, if necessary to achieve freedom, the price imposed by the Treaty, including surrender to the Soviet Union of most of Austria's petroleum resources in addition to other assets. He appealed, however, for alleviation of the burdens of the Treaty, especially of article 35, and particularly asked that Austria should be allowed to pay the Soviet Union \$150 million in goods instead of cash.

The Soviet Foreign Minister granted this latter request but at once made fresh stipulations. The main ones were:

(I) That the withdrawal of occupation troops stationed on the territory of the respective Zones of Austria should be postponed pending the conclusion of a Peace Treaty with Germany. (At the same time, it was proposed that all Allied troops should be withdrawn from Vienna).

(II) That Austria should undertake not to enter into any coalition or military alliance directed against any Power which participated with its armed forces in the war against Germany and in the liberation of Austria.

The Austrian Government and the three Governments objected to the proposals of the Soviet Government, which would make the conclusion of an Austrian Treaty dependent on the unconnected problem of a settlement in Germany and impose the burden of continued foreign occupation on the Austrian people for an indefinite future. They also pointed out that the second proposal contained conditions which had both military and non-military implications and should not be imposed on any sovereign State. They considered that Austria should be free to decide her own international relations in accordance with the United Nations Charter. The Austrian Government gave assurances during the Conference that Austria would not enter into any military alliance but also em-

⁵ BULLETIN of Feb. 16, 1953, p. 260.

⁶ *Ibid.*, June 8, 1953, p. 815.

⁷ *Ibid.*, June 22, 1953, p. 873.

⁸ *Ibid.*, Sept. 14, 1953, p. 352.

⁹ *Ibid.*, Aug. 31, 1953, p. 282.

¹⁰ *Ibid.*, Nov. 30, 1953, p. 745.

¹¹ *Foreign Ministers Meeting, Berlin Discussions*, Department of State publication 5399, pp. 175-208.

phasized that they could not accept, as a condition of reaching agreement upon the State Treaty, that occupation troops should remain in Austria until the signing of a German Peace Treaty.

In an effort to obtain agreement, the Governments of the United States of America, the United Kingdom and France expressed their willingness to conclude the Treaty by accepting the versions of the unagreed articles supported by the USSR up to that time.

The Austrian Government, as a final concession, offered, if it were agreed by the four Governments, to accept an extension of the period for the withdrawal of occupation forces from Austria provided that that extension was for a definite period and that such a concession would enable the Treaty to be concluded. They suggested that the date of withdrawal should be fixed at the latest at 30 June 1955.

The Soviet Government proved unwilling to accept any of these proposals. Accordingly, no Treaty could be concluded during the Berlin Conference. The three Governments, however, made clear their willingness to resume negotiations as soon as the Soviet Government were prepared to agree to the restoration of Austrian sovereignty and independence, which would of necessity include the withdrawal of all foreign troops.

Exchanges of correspondence since the Berlin Conference have failed to indicate any change thus far in the Soviet attitude which would permit the withdrawal of all occupation forces and conclusion of a Treaty. In a note of 7 May 1954, to the Soviet Government¹² the Governments of the United States, the United Kingdom and France again urged conclusion of an Austrian Treaty as a means of eliminating sources of international tensions. The Soviet Government, in a note of 12 August addressed to the Austrian Government, rejected the latter's proposal for a five-Power committee to consider alleviating Austria's occupation burdens. The Soviet Government instead suggested convocation of a committee to examine the unresolved questions pertaining to the Austrian Treaty and other related questions, but again referred to the Soviet proposals made at the Berlin Conference and failed to indicate a willingness to withdraw its troops from Austria, a fundamental requirement for the restoration of Austria's free-

dom and independence. On 10 September the three Western Powers sent a further note to the USSR¹³ in which they renewed their offer made at Berlin in February to conclude the Treaty by accepting the versions of the unagreed articles supported by the USSR up to that time. The Austrian Government, in replying on 12 October to the Soviet note of 12 August, said that it was prepared to participate in new treaty discussion but pointed out that the withdrawal of all occupation forces would be requisite to the conclusion of a Treaty.

The Soviet Government, in notes addressed to the Western Powers on 23 October,¹⁴ ignored the offer contained in the Western notes of 10 September to sign the Austrian Treaty but instead referred to the same proposal made in its note of 12 August to the Austrian Government for a conference of Ambassadors in Vienna for "examination of questions connected with the conclusion of a State Treaty". These new notes also contained no indication of the Soviet Government's willingness to withdraw its occupation troops from Austria which, as previously stressed by the Austrian Government and the three Western Powers, is requisite to conclusion of an Austrian Treaty.

The Governments of the United States, the United Kingdom and France deeply regret that their efforts to conclude a Treaty and to grant Austria its freedom and independence in compliance with the United Nations General Assembly resolution have been unavailing. The three Governments will continue to seek means whereby Austrian independence may be re-established and will continue to press for the earliest possible conclusion of a just and acceptable State Treaty. Further progress depends upon the attitude of the Soviet Government.

U.S., Austria Review Prospects for Austrian State Treaty

Following is the text of the communique issued on November 26 at the conclusion of the visit to Washington of Chancellor Julius Raab of Austria, November 21-25, together with a statement released by the White House on November 22 and

¹² BULLETIN of May 17, 1954, p. 756.

¹³ *Ibid.*, Sept. 20, 1954, p. 397.

¹⁴ See p. 902.

statements made by Secretary Dulles and Chancellor Raab on the occasion of the latter's arrival.

TEXT OF COMMUNIQUE OF NOVEMBER 26

Press release 668 dated November 26

The visit of the Federal Chancellor of Austria, Julius Raab, to Washington has provided a most welcome opportunity for high officials of the United States to become personally acquainted with the Chancellor and to review with him the international situation as a whole. Matters of mutual interest to the governments of Austria and the United States were discussed. These discussions which began with the Chancellor's talk with the President of the United States and Secretary of State, John Foster Dulles, on November 22 have been cordial, informative, and constructive.

The prospects for a Treaty for Austria were reviewed and it was agreed that both governments would continue with determination to work together for a State Treaty which would provide for the withdrawal of all occupation troops from Austria at an early and fixed date. It was noted that the United States, Great Britain, and France had on November 18 [19] submitted to the Secretary General of the United Nations a report of their efforts to achieve an Austrian Treaty.

The Chancellor reviewed the political and economic situation existing in Austria today. The stability and progress achieved by Austria, in spite of the devastations of war and the burdens imposed by the continued occupation of the country, were recognized by the representatives of the United States as being a remarkable and concrete proof of the courage, resourcefulness and fortitude of the Austrian coalition government and its people. The Chancellor outlined his plans and hopes for the further development of Austria's hydro-electric potential for the mutual benefit of Austria and neighboring states. Further development of these plans will be followed with great interest by United States authorities.

The Chancellor held useful conversations with the Departments of State and of Defense on the question of further alleviating the burden of occupation by the release of requisitioned housing presently held by the United States authorities in Austria. Plans to this end now under consideration in the Department of Defense were reviewed.

(The question of claims by American citizens

against the Austrian government stemming from the Nazi occupation of Austria was discussed. It was agreed that a prompt and just settlement of these claims should be sought.)

The discussions held during the Chancellor's visit re-emphasized the friendly relationship which exists between the governments of Austria and the United States. By this visit the ties which link the people of Austria to the people of the United States have been further strengthened.

WHITE HOUSE STATEMENT OF NOVEMBER 22

The President had a very friendly and cordial meeting at noon today with the Federal Chancellor of Austria, Julius Raab. The discussions were in the nature of a broad review of the international situation with particular attention to the prospects for a State Treaty for Austria. This meeting followed a meeting between the Chancellor and the Secretary of State.

Present at the meeting between the President and the Chancellor were the Assistant Secretary of State for European Affairs, Livingston T. Merchant; the Director of the Political Department of the Austrian Foreign Office, Dr. Josef Schoener; the Austrian Ambassador to the United States, Dr. Karl Gruber; and the United States Ambassador to Austria, Llewellyn E. Thompson, Jr. The meeting was followed by an official luncheon at the White House given by the President in honor of Chancellor Raab.

Further conversations regarding matters of mutual interest to the Governments of Austria and the United States will be held by Chancellor Raab with the Secretary of Defense, the Secretary of Commerce, the Director of Foreign Operations Administration, as well as with officials of the Department of State.

ARRIVAL OF CHANCELLOR RAAB

Press release 664 dated November 21

Secretary Dulles' Statement

On behalf of President Eisenhower and indeed all of the American people, I welcome you here to the Nation's Capital. As I know that you have already learned, the American people have the greatest sympathy and admiration for your country. We have sympathy because, a small country, the first victim of Hitlerite aggression, you were early promised an independence which unhappily

has not yet been realized. And we have admiration because in spite of all the difficulties which would have discouraged a lesser people, your nation has struggled valiantly and has achieved for itself a position of independence and self-respect in the world which we all greatly respect and admire. Therefore, the American people, Mr. Chancellor, greatly welcome your presence here and the opportunity to express to you personally those sentiments which I have so inadequately put today. We are happy that you will be not only in Washington but will visit other parts of the United States, so that you will see something of us and we in turn will have a greater opportunity to see something of you. We look forward, therefore, with much anticipation to your visit here in Washington and to other parts of the United States.

The Chancellor's Response

May I take the liberty first to thank you personally for the very kind welcome which I have found here in Washington. I have with great pleasure accepted the invitation of the President, namely, in order to convey to him the thanks of the Austrian people, for without the help of the United States, Austria would not today enjoy the standard and the position which is hers in the economic and the political field. We Austrians are living in the center of Europe, and we have to fulfill a very important task there. The Austrian people with great diligence and great labor have started to rebuild their homeland. In the United States we recognize a power which provides the foremost guaranty of the liberty of mankind, and we, a small country over there in Europe, also have to do our duty.

Monroe Doctrine Expresses Inter-American Attitude

*Remarks by Edward J. Sparks
Acting Assistant Secretary for Inter-American
Affairs*¹

One hundred thirty-one years ago, what has come to be known as the "Monroe Doctrine" was contained in a message to Congress from Presi-

dent James Monroe. In a few words it set forth what has been the consistent United States policy in a highly important aspect of this country's foreign relations.

In the period since 1823 there has been a tremendous transformation in the political and economic conditions of the areas of the world with which the Monroe Doctrine is concerned. The United States is no longer a small, inexperienced nation seeking to maintain its ability to continue democratic development in a largely hostile world. The United States is today, rather, a leader of the free world.

The threat to the security and independence of the Americas now comes from only one source—Communist imperialism. Latin America is no longer an area newly freed from colonial domination by Europe but, rather, a group of 20 sovereign republics bound together, along with the United States, in the Organization of American States for their mutual protection and development.

The doctrine which President Monroe enunciated in 1823 may be said to set forth two major aspects of United States policy. The first was that we would consider any attempt by any European power to impose on the independent countries of Latin America the colonial domination from which they had freed themselves, as the manifestation of an unfriendly disposition toward the United States. This declaration against the extension of the European domination in this hemisphere has long come to express a truly inter-American attitude. Collective security against aggressive attack on the territory, sovereignty, or political independence of any American State is formalized in the Treaty of Rio de Janeiro of 1947, as well as in the Charter of the Organization of American States, which was adopted at the Ninth International Conference of American States at Bogotá in 1948.

The second part of the Monroe Doctrine was directed against the designs of Czarist Russia and the so-called Holy Alliance, which were then plotting to impose despotic political systems on parts of the hemisphere which had just won their independence from Spain. President Monroe said that such attempts were dangerous to our peace and safety.

In commenting on the Tenth International Conference of American States at Caracas earlier

¹ Made at the opening of Monroe House at Washington, D. C., on Dec. 2 (press release 688).

this year, the Secretary of State said that the threat which stems from international communism is a repetition in this century of precisely the kind of danger against which President Monroe made his declaration 131 years ago.

At the conference in Caracas, in March of this year, the essence of this second part of the Monroe Doctrine also was set down in a multilateral declaration of the American States.

In the "Declaration of Solidarity for the Preservation of Political Integrity of the American States Against International Communist Intervention" adopted at Caracas, the American Republics stated that:

the domination or control of the political institutions of any American State by the international communist movement, extending to this hemisphere the political system of an extracontinental power, would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America, and would call for a meeting of consultation to consider the adoption of appropriate action in accordance with existing treaties.

Thus, a statement in 1823 by President Monroe concerning foreign intervention into the political affairs of other nations of the New World has come, in essence, to be incorporated into the hemisphere-wide doctrines of the American Republics.

That we should be addressed today by my distinguished friend, Dr. José Mora, Ambassador of Uruguay and President of the Council of the Organization of American States, is fitting proof of the extent to which the principles enunciated by President Monroe have come to be accepted as the policy of all of the American Republics.

Dr. Holleran Appointed to Cultural Council of OAS

On November 30 the President appointed Dr. Mary P. Holleran, Dean of Faculty of Hampton Institute, Hampton, Va., to be the U.S. representative on the Inter-American Cultural Council of the Organization of American States (press release 687 dated December 2). The Inter-American Cultural Council was established under the Charter of the Organization of American States "to promote friendly relations and mutual understanding among the American peoples, in order to strengthen the peaceful sentiments that have

characterized the evolution of America, through the promotion of educational, scientific, and cultural exchange."

Argentina and Paraguay To Restrict Tung Oil Exports to U.S.

White House press release dated November 22

The President announced on November 22 that he has been advised by the Secretary of State that the Governments of Argentina and Paraguay have undertaken to restrict their exports to the United States of tung oil and the equivalent in tung nuts to a total of 21.8 million pounds in the case of Argentina and 2.6 million pounds in the case of Paraguay, during the marketing year ending October 31, 1955. Imports from other sources, the President said, are not expected to be significant, bringing anticipated total imports to approximately 25 million pounds, in contrast to 43.3 million pounds of imports during the last marketing year.

It is estimated that U.S. consumption of tung oil during the current crop year will be about 50 million pounds. Domestic production for the same period is estimated at about 17 million pounds. On the basis of these estimates, consumption of tung oil in the United States during the present marketing year would exceed supplies by about 8 million pounds and there would be a corresponding reduction of 8 million pounds in the tung oil stocks held by the Commodity Credit Corporation.

In making this announcement the President stated that in the light of these developments he would not now act on the recommendations made by the United States Tariff Commission in its September 30, 1954, report on tung nuts and tung oil.¹

The President stated that he was pleased that the joint effort and cooperation with the Argentine and Paraguayan Governments has produced such a hopeful approach for dealing with the problem of excessive supplies of tung oil, which has been causing increasing concern in this country. This spirit of cooperation is essential, the President said, if we and our friendly neighbors and allies are to meet our individual and common needs as we proceed toward our mutual goal of expanding levels of world trade and investment.

¹Copies of the Tariff Commission report may be obtained from the U.S. Tariff Commission, Washington 25 D.C.

President Assigns Functions Under Foreign Aid Programs

White House press release dated November 6

WHITE HOUSE ANNOUNCEMENT

The President on November 6 issued an Executive order providing for the administration of the foreign aid programs authorized by the Mutual Security Act of 1954.

The order assigns Presidential functions under the act to other officers of the Government in a manner generally similar to that heretofore obtaining under earlier law. Principally, the President, by this order:

1. Delegated to the Secretary of Defense the military assistance functions under the Mutual Security Act of 1954.
2. Delegated to the Director of the Foreign Operations Administration the administration of assistance programs under the act, other than military assistance.
3. Made the Secretary of State responsible for international agreements and foreign policy guidance in respect of the various assistance programs and for making contributions to international organizations.
4. Assigned to the Secretary of Commerce duties under the act respecting the facilitation and encouragement of travel abroad and the drawing of the attention of private enterprise to opportunities for investment and development in other free nations.
5. Allocated to the Secretary of Defense and the Director of the Foreign Operations Administration the funds appropriated to carry out functions under the act administered by them, respectively.
6. Prescribed procedures to coordinate the activities carried on abroad by various agencies under the act.
7. Delegated to the Secretary of State authority to control the import and export, other than by government agencies, of arms, ammunition, and implements of war.

The President also directed a letter of instructions to the heads of agencies directly affected by the Executive order.

MEMORANDUM TO AGENCY HEADS¹

I have today signed an Executive order which is designed to carry out the provisions of the Mutual Security Act of 1954.

My letter of June 1, 1953, regarding the organization of the executive branch for the conduct of foreign affairs, continues to represent my instructions on the subjects discussed in that letter. This letter supplements my previous letter and the Executive order signed today.

The Director of the Foreign Operations Administration is responsible for coordinating all operations of the foreign assistance programs. He should establish appropriate machinery to achieve this coordination and to assure that all aspects of the mutual security program are consistent with and further the attainment of foreign policy, military policy, and financial and monetary policy objectives. This should include provisions for the Secretaries of State, Defense, and Treasury to receive adequate reports on the operations and projected plans with respect to each program under the Mutual Security Act.

The delegation to the Secretary of State of responsibility for negotiations with foreign governments is intended to give recognition to the central responsibility of the Department of State in this area. Other agencies directly concerned with the substance of the negotiation must continue to carry substantial responsibility in such negotiations, however. Moreover, it is assumed that these other agencies will conduct day-to-day discussions with representatives of the foreign governments in implementing basic agreements reached with such governments. Such discussions, of course, must be in conformance with the foreign policy responsibilities of the State Department and of the chiefs of our diplomatic missions.

The Director of the Foreign Operations Admin-

¹ Addressed to the Secretaries of State, Treasury, Defense, Agriculture, and Commerce, the Directors of the Foreign Operations Administration, the Office of Defense Mobilization, and the U.S. Information Agency, and the Chairman of the Board of Directors of the Export-Import Bank of Washington.

istration will coordinate the implementation of the statutory requirement that a certain minimum amount of the Mutual Security funds be used to finance the export and sale for foreign currencies of surplus agricultural commodities. He shall coordinate this surplus disposal program with that under the Agricultural Trade Development and Assistance Act of 1954. He shall consult with the interagency committee established by the President to assist in the administration of that Act, but I am looking to the Director for the successful implementation of this important part of our mutual security program.

The Secretary of Commerce is designated as the officer to carry out the program to encourage travel. This assignment in no way diminishes the responsibilities of the Department of State or the Foreign Operations Administration to operate exchange and technical assistance programs, nor does it affect the responsibility of the Department of State to carry on diplomatic negotiations with other countries regarding the removal of legal barriers to international travel and similar matters.

The responsibility of finding opportunities for investment and development abroad under the Mutual Security Act is delegated to the Director of the Foreign Operations Administration. The Secretaries of State and Commerce are to continue their regular work through the Foreign Service relating to finding opportunities abroad. The Secretary of Commerce shall be responsible for the regularized publishing and circularization to American business of opportunities abroad, but the Director may continue his normal, direct contacts with individual business firms that arise as a result of his other functions under the Act, such as making investment guarantees and promoting economic development. The Departments of State and Commerce and the Foreign Operations Administration should make arrangements for appropriate consultation and cooperation in respect of their programs relating to encouraging American private investment abroad.

The arrangements described above and in the Executive order issued today are to continue in effect during fiscal year 1955 or until other arrangements for the administration of foreign aid functions are prescribed by the President after further study has been given to this problem in the executive branch of the Government.

DWIGHT D. EISENHOWER

EXECUTIVE ORDER 10575²

Administration of Foreign-Aid Functions

By virtue of the authority vested in me by the Mutual Security Act of 1954 (68 Stat. 832), by section 301 of title 3 of the United States Code, and as President of the United States and Commander in Chief of the armed forces of the United States, it is hereby ordered as follows:

PART I. ASSIGNMENT OF FUNCTIONS AND FUNDS

Section 101. *Foreign Operations Administration.* (a) Exclusive of the functions otherwise delegated, or excluded from delegation, by this order, and subject to the provisions of this order, there are hereby delegated to the Director of the Foreign Operations Administration all functions conferred upon the President by the Mutual Security Act of 1954 (hereinafter referred to as the Act) and by the Mutual Defense Assistance Control Act of 1951 (65 Stat. 644; 22 U. S. C. 1611-1613c).

(b) Subject to sections 103 and 107 (b) of this order, the Director of the Foreign Operations Administration shall administer sections 402, 505, and 201 of the Act. In determining upon the furnishing of assistance on terms of repayment pursuant to sections 201 (a) and 505 of the Act, and upon the amounts and terms of such assistance, the Director of the Foreign Operations Administration shall consult with the National Advisory Council on International Monetary and Financial Problems in respect of policies relating to such assistance and terms. Whenever assistance on terms of repayment, under the said section 505, involves funds available under chapter of Title I of the Act, the said Director shall consult with the Secretary of Defense with respect to the amounts and terms of such assistance. The Director of the Foreign Operations Administration shall also consult the said Council with respect to policies concerning the utilization of funds in the Special Account provided for in section 142 (11) of the Act and concerning such other matters as are within the cognizance of the Council pursuant to section 4 of the Bretton Woods Agreements Act.

(c) Pursuant to section 527 (c) (2) of the Act, it is directed that the authority made available to the Director of the United States Information Agency with respect to his functions by section 2 of Executive Order No. 10477 of August 1, 1953 (18 F. R. 4540), and by Executive Order No. 10522 of March 26, 1954 (19 F. R. 1689), subject to the provisions of law applicable in connection with such authority, may be utilized by the Director of the Foreign Operations Administration with respect to his functions.

(d) It is hereby directed that the Office of Small Business provided for in section 504 (b) of the Act shall be in the Foreign Operations Administration.

Section 102. *Department of Defense.* (a) Subject to the provisions of this order, there are hereby delegated to the Secretary of Defense:

(1) The functions conferred upon the President by chapter 1 of Title I of the Act, exclusive of (i) those so

² 19 Fed. Reg. 7249.

conferred by section 105 (b) (3) of the Act, (ii) so much of those so conferred by section 106 (b) of the Act as consists of determining that a nation or international organization may make available the fair value of equipment, materials, or services, sold thereto or rendered therefor, at a time or at times other than in advance of delivery of the equipment, materials, or services, and (iii) the functions reserved to the President by section 107 of this order.

(2) The functions conferred upon the President by sections 142 (7) and 511 (c) of the Act.

(3) So much of the functions conferred upon the President by sections 142 (10), 511 (b), 527 (a), 528, and 529 (a) of the Act as relates to other functions under the Act administered by the Department of Defense.

(b) The Secretary of Defense is hereby designated to make, with respect to equipment or materials procured for military assistance, the determinations provided for in section 107 of the Mutual Security Appropriation Act, 1955 (68 Stat. 1224).

(c) The Secretary of Defense (1) shall exercise the responsibility and authority vested in him by the Act and the responsibility and authority delegated to him by this order subject to coordination by the Director of the Foreign Operations Administration, and (2) shall keep the Director of the Foreign Operations Administration fully and currently informed of all matters, including prospective action, relating to the utilization of funds under the Act, the establishment of priorities under section 524 (b) of the Act, and the furnishing of military items under chapter 1 of Title I of the Act.

Section 103. *Department of State.* (a) There are hereby delegated to the Secretary of State:

(1) The functions conferred upon the President by the laws referred to in section 101 (a) of this order with respect to negotiating and entering into international agreements.

(2) The functions conferred upon the President by sections 105 (b) (3), 405 (a), 413 (b) (2) and (3), and 529 (b) and (c) of the Act.

(3) The functions conferred upon the President by section 504 (a) (2) of the Act so far as they may relate to countries in which the Foreign Operations Administration does not have missions or employees.

(4) So much of the functions conferred upon the President by section 535 (a) of the Act as consists of requesting the cooperation of the United Nations, its organs, and specialized agencies or other international organizations in carrying out the purposes of the Act.

(b) The functions conferred upon the President by section 414 of the Act are hereby delegated to the Secretary of State. In connection with the carrying out of the said functions the Secretary of State shall consult with appropriate agencies of the Government. The designation by the Secretary of State of articles which shall be considered as arms, ammunition, and implements of war, including technical data relating thereto, under the said section 414 shall require the concurrence of the Secretary of Defense.

(c) The Secretary of State shall be responsible (1) for making the United States contributions under the Act to,

and formulating and presenting with the assistance of the Director of the Foreign Operations Administration the policy of the United States with respect to the assistance programs of, the international organizations referred to in sections 132 (c), 306, 405 (a) and (c), 406, and 407 of the Act, and (2) for making the United States contribution under section 408 of the Act to the North Atlantic Treaty Organization for the United States' share of the expenses of the Organization.

(d) All functions under the Act and the other statutes referred to in sections 101 (a), 102 (b), and 105 (a) of this order, however vested, delegated, or assigned, shall be subject to the responsibilities of the Secretary of State with respect to the foreign policy of the United States.

(e) The maintenance of special missions or staffs abroad, the fixing of the ranks of the chiefs thereof after the chiefs of the United States diplomatic missions, and the authorization of the same compensation and allowances as the chief of mission, Class 3 or Class 4, within the meaning of the Foreign Service Act of 1946 (22 U. S. C. 801 *et seq.*), all under section 526 of the Act, shall require the approval of the Secretary of State.

Section 104. *Department of Commerce.* (a) There is hereby delegated to the Secretary of Commerce so much of the functions conferred upon the President by section 413 (b) (1) of the Act as consists of drawing the attention of private enterprise to opportunities for investment and development in other free nations.

(b) The Secretary of Commerce is hereby designated as the officer through whom shall be carried out the functions provided for in section 416 of the Act.

Section 105. *United States Information Agency.* (a) The functions conferred upon the President by section 1011 of the United States Information and Educational Exchange Act of 1948 (62 Stat. 6), as amended, are hereby delegated to the Director of the United States Information Agency and shall be carried out in consultation with the Director of the Foreign Operations Administration.

(b) The United States Information Agency shall perform the functions provided for by law with respect to publicizing abroad the activities carried out under the Act.

Section 106. *Allocation of funds.* (a) Funds appropriated or otherwise made available to the President shall be deemed to be allocated without any further action of the President as follows:

(1) Funds for carrying out chapter 1 of Title I of the Act are allocated to the Secretary of Defense, but, for the purposes of the second sentence of section 110 of the Mutual Security Appropriation Act, 1955 (68 Stat. 1224), such funds shall be available only when and in such amounts as they have been apportioned, for use, by the Bureau of the Budget.

(2) All funds for carrying out the Act except those for carrying out chapter 1 of Title I of the Act are allocated to the Director of the Foreign Operations Administration.

(b) The said funds may be allocated by the Secretary of Defense and the Director of the Foreign Operations Administration, respectively, to any agency, department, establishment, or wholly-owned corporation of the Government for obligation or expenditure thereby consistent with

applicable law, subject, however, to the provisions of section 107 (a) (2) hereof. The utilization of funds without regard to the existing laws governing the obligation and expenditure of Government funds as authorized by section 411 (b) of the Act shall be limited as far as practicable and shall in any event be confined to instances in which such utilization is deemed (1) to further the more economical, efficient, or expeditious carrying out of functions under the Act, and (2) to obviate or mitigate hardship occurring with respect to personnel administering functions under the Act in connection with the administration of these functions or with respect to the families of personnel by reason of the duties of the respective heads of families under the Act.

(c) The Director of the Foreign Operations Administration shall allocate funds to the Department of State for the contributions referred to in section 103 (c) of this order.

Section 107. Reservation of functions to the President.

(a) There are hereby excluded from the functions delegated by the foregoing provisions of this order:

(1) The functions conferred upon the President by the Act with respect to the appointment of officers required to be appointed by and with the advice and consent of the Senate, the transmittal of periodic or special reports to the Congress, and the termination or withdrawal of assistance.

(2) The functions conferred upon the President with respect to findings, determinations, certification, agreements, directives, or transfers of funds, as the case may be, by sections 104 (b), 105, 132 (a), 141, 401, 403, 404, 410, 501, 503, 521, and 522 (b) of the Act, and by sections 103 (b), 104, 203, and 301 of the Mutual Defense Assistance Control Act of 1951.

(3) The functions conferred upon the President by sections 101, 107 (a) (2), 415, 525, 533, and 545 (d) of the Act and, subject to Part II hereof, the functions so conferred by section 523 (b) of the Act.

(4) The functions conferred upon the President by section 121 of the Act, including all of the functions so conferred with respect to waiving specific provisions of section 142 of the Act, but otherwise excluding so much of the functions conferred upon the President by the said section 121 as may relate to assistance for the support of forces and other expenditures within Indo-China and either is financed from the unexpended balances of appropriations made pursuant to sections 304 and 540 of the Mutual Security Act of 1951, as amended, or is within an obligational limitation of \$150,000,000 additional to the said unexpended balances.

(5) So much of the functions conferred upon the President by section 409 (d) of the Act as may relate to funds allocated to the Department of Defense by this order.

(b) The President shall hereafter determine the portions of the sum of \$350,000,000 provided for in section 402 of the Act and the portions of the sum of \$200,000,000 provided for in section 505 (b) of the Act which shall be applicable to funds allocated pursuant to the Act to the Foreign Operations Administration and the Department of Defense, respectively.

PART II. PROCEDURES FOR COORDINATION ABROAD

Section 201. Functions of the Chief of the United States Diplomatic Mission. (a) The Chief of the United States Diplomatic Mission in each country, as the representative of the President, shall serve as the channel of authority on foreign policy and shall provide foreign policy direction to all representatives of United States agencies in such country.

(b) The Chief of the United States Diplomatic Mission in each country, as the representative of the President and acting on his behalf, shall coordinate the activities of the representatives of United States agencies (including the chiefs of economic and technical assistance missions, military assistance advisory groups, foreign information staffs, and other representatives of agencies of the United States Government) in such country engaged in carrying out programs under the Act, programs under the Mutual Defense Assistance Control Act of 1951, and the programs transferred by section 2 of Reorganization Plan No. 8 of 1953 (67 Stat. 642); and he shall assume responsibility for assuring the unified development and execution of the said programs in such country. More particularly, the functions of each Chief of United States Diplomatic Mission shall include, with respect to the programs and the country concerned, the functions of:

(1) Exercising general direction and leadership of the entire effort.

(2) Assuring that recommendations and prospective plans and actions of representatives of United States agencies are effectively coordinated and are consistent with, and in furtherance of, the established policy of the United States.

(3) Assuring that the interpretation and application of instructions received by representatives of United States agencies from higher authority are in accord with the established policy of the United States.

(4) Guiding the representatives of United States agencies in working out measures to prevent duplication in their efforts and to promote the most effective and efficient use of all United States officers and employees engaged in work on the said programs.

(5) Keeping the representatives of United States agencies fully informed as to current and prospective United States policies.

(6) Prescribing procedures governing the coordination of the activities of representatives of United States agencies, and assuring that such representatives shall have access to all available information essential to the accomplishment of their prescribed duties.

(7) Preparing and submitting such reports on the operation and status of the programs referred to in the introductory portion of this subsection as may be requested of the Secretary of State by the Secretary of Defense, the Director of the Foreign Operations Administration, or the Director of the United States Information Agency, with respect to their respective responsibilities.

(8) Recommending the withdrawal of United States personnel from the country whenever in his opinion the interests of the United States warrant such action.

(c) Each Chief of United States Diplomatic Mission

shall perform his functions under this part in accordance with instructions from higher authority and subject to established policies and programs of the United States. Only the President and the Secretary of State shall communicate instructions directly to the Chief of the United States Diplomatic Mission.

(d) No Chief of United States Diplomatic Mission shall delegate any function conferred upon him by the provisions of this Part which directly involves the exercise of direction, coordination, or authority.

Section 202. *Referral of unresolved matters.* The Chief of the United States Diplomatic Mission in each country shall initiate steps to reconcile any divergent views arising between representatives of United States agencies in the country concerned with respect to programs referred to in the introductory portion of section 201 (b) of this order. If agreement cannot be reached the Chief of the United States Diplomatic Mission shall recommend a course of action, and such course of action shall be followed unless a representative of a United States agency requests that the issue be referred to the Secretary of State and the United States agencies concerned for decision. If such a request is made, the parties concerned shall promptly refer the issue for resolution prior to taking action at the country level.

Section 203. *Further coordination procedures and relationships.* (a) All representatives of United States agencies in each country shall be subject to the responsibilities imposed upon the Chief of the United States Diplomatic Mission in such country by section 523 (b) of the Act and by this part.

(b) Subject to compliance with the provisions of this part and with the prescribed procedures of their respective agencies, all representatives of United States agencies affected by this part (1) shall have direct communication with their respective agencies and with such other parties and in such manner as may be authorized by their respective agencies, (2) shall keep the respective Chiefs of United States Diplomatic Missions and each other fully and currently informed on all matters, including prospective plans, recommendations, and actions, relating to the programs referred to in the introductory portion of section 201 (b) of this order, and (3) shall furnish to the respective Chiefs of United States Diplomatic Missions, upon their request, documents and information concerning the said programs.

PART III. GENERAL PROVISIONS

Section 301. *Definition.* As used in this order, the word "functions" embraces duties, powers, responsibilities, authority, and discretion.

Section 302. *Prior orders.* (a) This order supersedes Executive Order No. 10476 of August 1, 1953 (18 F. R. 4537).

(b) The reference in section 3 (c) of Executive Order No. 10560 of September 9, 1954 (19 F. R. 5927), to Part III of Executive Order No. 10476 shall after the date of this order be deemed to be a reference to Part II of this order.

(c) Except to the extent inconsistent with law or with

this order, and except as revoked, superseded, or otherwise made inapplicable before the time of issuance of this order, (1) all determinations, authorizations, regulations, rulings, certificates, orders, directives, contracts, agreements, and other actions issued, undertaken or entered into with respect to any function affected by this order shall continue in full force and effect until amended, modified, or revoked by appropriate authority, (2) each reference in any Executive order to any provision of law repealed by the Mutual Security Act of 1954 shall be deemed also to refer to the corresponding provision, if any, of the Mutual Security Act of 1954.

Section 303. *Effective date.* Without prejudice to anything done under proper authority with respect to any function under the Act at any time subsequent to the approval of the Act and prior to the approval of this order, the effective date of this order shall be deemed to be the date of the approval of the Act.

Dwight D. Eisenhower

THE WHITE HOUSE,
November 6, 1954.

Licensing of Munitions Shipments

A schedule of fees effective January 1, 1955, for the licensing of munitions imports and exports was announced by Secretary Dulles on November 30 (press release 679). The schedule provides for a variable charge based on the licensed shipment ranging from \$1 for a licensed shipment of \$100 to \$80 for a licensed shipment of \$100,000 and over. No charge is made for licenses covering shipments amounting to less than \$100 in value.

This is in compliance with Executive Order 10575¹ by President Eisenhower as a part of legislation governing the control of munitions to and from the United States as provided by the Mutual Security Act of 1954.

Fees may be submitted with each separate application for a license in the form of a check or money order made payable to the Department of State. When several applications are submitted at the same time, one check or money order may be submitted to cover all the required fees. By special arrangement, regular exporters of munitions items may make advance payments to cover expected charges over a period of 6 months or less. This may be accomplished by writing to the Office of Munitions Control, Department of State, Washington 25, D. C.

¹ 19 Fed. Reg. 7249.

Final Assembly Action on Resolution on Peaceful Uses of Atomic Energy

Statements by Henry Cabot Lodge, Jr.

*U.S. Representative to the General Assembly*¹

REVISED DRAFT INTRODUCED

U.S. delegation press release 2029 dated November 18

Let me briefly explain on behalf of the sponsors the revised text of Resolution L. 105, which is now before this committee.²

Our all-important objective has been all along to stress that which is feasible and doable. We are in the first instance looking to real accomplishments in 1955 and then to the more distant future. We believe that this resolution will best promote United Nations participation in the development and expansion of the use of atomic energy for peace, that as a result of the resolution new activity will start all over the world which will hasten that development.

During this debate we have heard many interesting ideas and have received a number of useful suggestions. All of us want this resolution to represent as much as possible the collective opinions of this committee. We have therefore made changes in our resolution in response to suggestions made during the debate. We believe—and it happens very often in the United Nations—that the changes are an improvement over the original draft.

Last Friday, November 12, at the close of our afternoon meeting, the sponsors received from the

Soviet delegation a number of suggested amendments to our draft resolution. Immediately thereafter we met to discuss these suggestions. We met again on Monday, November 15, to study them in greater detail and other suggestions by other members. At that meeting, we arrived at a consensus of views and I was authorized to convey them to the Soviet representative, which I did that very same night. Yesterday, the Soviet representative informed me that he was still awaiting instructions.

In an effort to expedite the work of this committee, the sponsors met again yesterday afternoon to review the draft resolution in the light of all the suggestions made during this debate. We reached agreement on a revised text. This text was transmitted to the Soviet representative early yesterday evening, and we agreed to meet this morning.

At our meeting this morning, Mr. Vyshinsky indicated that he accepted most of the provisions of our latest revision of the draft resolution but asked for certain changes which I will discuss when I come to the specific provisions of the resolution.

During the same period of time, this last week, the representative of India³ was good enough to communicate to the sponsors the ideas which he dealt with in his speech to this committee. His views, too, received the same careful consideration.

¹ Made in Committee I (Political and Security) on Nov. 18, 19, and 23.

² U.N. doc. A/C. 1/L. 105/Rev. 1. For a text of the draft resolution as introduced on Nov. 6, see BULLETIN of Nov. 15, 1954, p. 745.

³ V. K. Krishna Menon.

Resolution on Peaceful Uses of Atomic Energy¹

U.N. doc. A/Resolution/230

B

The General Assembly,

Believing that the benefits arising from the momentous discovery of atomic energy should be placed at the service of mankind,

Desiring to promote energetically the use of atomic energy to the end that it will serve only the peaceful pursuits of mankind and ameliorate their living conditions,

Recognizing the importance and the urgency of international co-operation in developing and expanding the peaceful uses of atomic energy to assist in lifting the burdens of hunger, poverty and disease,

Believing also that all nations should co-operate in promoting the dissemination of knowledge in the realm of nuclear technology for peaceful ends,

A

Concerning an International Atomic Energy Agency

Recalling the initiative of the President of the United States, embodied in his address of 8 December 1953,

Noting that negotiations are in progress, and the intention that they should continue, for the establishment as quickly as possible of an International Atomic Energy Agency to facilitate the use by the entire world of atomic energy for peaceful purposes, and to encourage international co-operation in the further development and practical application of atomic energy for the benefit of mankind,

1. *Expresses* the hope that the International Atomic Energy Agency will be established without delay;

2. *Suggests* that, once the Agency is established, it negotiate an appropriate form of agreement with the United Nations;

3. *Transmits* to the States participating in the creation of the Agency, for their careful consideration, the record of the discussion of this item at the present session of the General Assembly;

4. *Suggests* that Members of the United Nations be informed as progress is achieved in the establishment of the Agency and that the views of Members which have manifested their interest be fully considered;

¹ Approved unanimously by Committee I on Nov. 23 A/C. 1/759) and by the General Assembly on Dec. 4.

Concerning the International Conference on the Peaceful Uses of Atomic Energy

1. *Declares* the interest and concern of the General Assembly in helping in every feasible way to promote the peaceful applications of atomic energy;

2. *Decides* that an international technical conference of Governments should be held, under the auspices of the United Nations, to explore means of developing the peaceful uses of atomic energy through international co-operation and, in particular, to study the development of atomic power and to consider other technical areas—such as biology, medicine, radiation protection; and fundamental science—in which international co-operation might most effectively be accomplished;

3. *Invites* all States Members of the United Nations or of the specialized agencies to participate in the conference and to include among their representatives individual experts competent in the atomic energy field;

4. *Suggests* that the international conference should be held no later than August 1955 at a place to be determined by the Secretary-General and by the Advisory Committee provided for in paragraph 5 below;

5. *Requests* the Secretary-General, acting upon the advice of a small committee composed of representatives of Brazil, Canada, France, India, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland and the United States of America, to issue invitations to this conference, to prepare and circulate to all invitees a detailed agenda, and to provide the necessary staff and services;

6. *Suggests* to the Secretary-General and the Advisory Committee that, in making plans for the international conference, they consult with competent specialized agencies, in particular the Food and Agriculture Organization, the World Health Organization, and the United Nations Educational, Scientific and Cultural Organization;

7. *Invites* the interested specialized agencies to designate persons to represent them at the conference;

8. *Requests* that the Secretary-General circulate for information a report on the conference to all Members of the United Nations, and to other Governments and specialized agencies participating in the conference.

I think that we have gone a good distance in meeting all viewpoints expressed here, and I hope that there may be a unanimous vote in favor of the resolution.

Now, Mr. Chairman, I shall turn to the changes which we have made in our draft resolution.

We have added as the second paragraph to the preamble a provision reading, "*Desiring* to promote energetically the use of atomic energy to the end that it will serve only the peaceful pursuits of mankind and ameliorate their living conditions." The purpose of this addition is obvious. The first and second preambular paragraphs taken together not only recognize the benefits which can be derived from atomic energy but also express the intention of the General Assembly to promote energetically the realization of these benefits. This change, let me say, reflects one of the points brought up by the Soviet Union.

With respect to the second preambular paragraph, let me point out that the cosponsors are in complete agreement on the desirability of promoting atomic energy to the end that it will serve only the peaceful pursuits of mankind. Obviously that is the great goal of this program. It is the end that we are working for. This provision should not, however, and cannot, be interpreted as meaning that we have in any way accepted the idea that there should be a paper pledge on the banning of atomic weapons without proper safeguards and without corresponding measures concerning conventional weapons. That is a matter which we have dealt with in another context and it must not be confused with the program we are now considering.

The next change—What was formerly the second preambular paragraph and has now become the third paragraph has become modified to read as follows: "*Recognizing* the importance and the urgency of international cooperation in developing and expanding the peaceful uses of atomic energy to assist in lifting the burdens of hunger, poverty and disease." The effect of this change is to emphasize the importance of mobilizing the resources of all nations in the effort to put the atom at the service of mankind. This change is made in response to a constructive suggestion from the representative of India.

The next change—We now come to section A, Concerning an International Atomic Energy Agency. In the second preambular paragraph in this section we have added seven words. The para-

graph now commences, "*Noting* that negotiations are in progress, and the intention that they should continue, for the establishment as quickly as possible," etc. This change of those words, "and the intention that they should continue," is made in an effort to meet a suggestion of the representative of the Soviet Union, who pointed out that nowhere in the resolution was there any specific suggestion that the negotiations to create the agency should continue. To be sure, this could be implied from the fact that we had noted that the negotiations were proceeding, but we agree with the Soviet representative that the resolution is improved by stating that the negotiations should continue.

The next change—I now come to the operative paragraphs in section A relating to the agency.

We have added a new first operative paragraph reading as follows: "*Expresses* the hope that the International Atomic Energy Agency will be established without delay." We believe that this fully meets one of the useful suggestions made by the representative of India. It stresses our concern that nothing shall interfere with the progress of the negotiations.

What is now the second operative paragraph of section A is amended to read, "*Suggests* that, once the Agency is established, it negotiate an appropriate form of agreement with the United Nations." Now, Mr. Chairman, this paragraph brings us to one of the problems that has received greatest attention during these debates—the exact nature of the relationship between the agency and the United Nations. We had originally indicated that an appropriate form of agreement between the agency and the United Nations might be described as "similar to those of the specialized agencies." As you recall, that was in the original draft. We had thought that these words were sufficiently flexible and that they would not prejudge the results of the negotiations to form the agency. But it became apparent during our discussions in this committee that several delegations, including the Soviet Union, objected to this language. The change we have now made eliminates from the original draft the words "similar to those of the specialized agencies." Our reason for eliminating these words is to make it completely clear that the resolution will not prejudge the outcome of the negotiations to establish the agency. This change is acceptable to the interested delegations, including the Soviet Union.

The next change—A number of representatives

suggested that the resolution make specific mention of the desirability of the negotiating states' consulting with other states in connection with the establishment of the agency. As I stated previously, the United States is anxious to learn the views of all states interested in participating in the agency. The other sponsors have expressed similar intentions during these debates. It would not, of course, be feasible to have a conference of all 60 members of the United Nations to engage in negotiations for an agency of this nature. The thing we are most anxious to achieve is to see the agency established and operating as a going concern in the shortest possible time. Therefore, the negotiators must not be fettered with elaborate procedures and channels for the conduct of the negotiations. Although the intentions of the states now negotiating the agreement are clear, we believe that it would improve the resolution if it made specific mention of their intention fully to consider the views of all member states. We have, accordingly, amended the fourth operative paragraph under section A so that it now reads: "4. *Suggests* that Members of the United Nations be informed as progress is achieved in the establishment of the Agency and that the views of Members who have manifested their interest be fully considered."

The next change—The only change we have made in section B is the addition of the words "of Governments" in the first line of paragraph 2. The paragraph now begins, "*Decides* that an international technical conference of Governments should be held," etc. This is a clarification and is made in response to a suggestion from the representative of India.

The next change we were unable to accept—or, rather, this is a change we did not make. We were unable to accept a Soviet suggestion for a change in operative paragraph 3, which relates to the governments which are to be invited to the international technical conference. All states members of the United Nations or of the specialized agencies are invited under this provision of our resolution. The Soviet representative suggested that we add a clause the effect of which was to invite all other states which expressed a desire to participate in the conference. The sponsors could not accept this change, Mr. Chairman. We believe that, since this conference is convened by the General Assembly, all states who are members of the United Nations system should be invited. That is

what our paragraph 3 does. But we believe that this present debate on the peaceful uses of atomic energy is not the place to settle the sharp differences of opinion over the status of states which are not members of the United Nations or of its specialized agencies. This is a United Nations conference and we believe it should therefore be limited to the members of the United Nations system.

Now, I conclude this statement, Mr. Chairman. We hope that this seven-power resolution as amended will commend itself to this committee. We have tried to take into consideration the views expressed in this extremely helpful debate. We believe that this resolution creates the framework under which, with cooperation and good will, we can make the most rapid progress. We hope and we believe that by the next session of the General Assembly we shall be discussing results instead of procedures, we shall be reporting the fruits of international cooperation instead of discussing how best to achieve such cooperation. We think that this resolution will—if I may use the phrase—turn the crank and thus start the beneficent chain reaction of helpful human actions throughout the world which will inure to the benefit of mankind. We sincerely believe that this resolution merits the unanimous support of this committee.

VIEWS OF OTHER STATES REQUESTED

U.S. delegation press release 2032 dated November 19

On behalf of the sponsors, I would like to say that we feel that this resolution has been very thoroughly considered indeed, and that we have reached the stage, which was reached also with the disarmament resolution at previous meetings, at which we do not feel that we can make any further revisions in the text. We have tried very hard to consider all viewpoints. I would like to express my appreciation to the distinguished Ambassador of Ecuador, Dr. Trujillo, when he said that he would not press his amendments. I would like also to give him my assurance that the views which he expressed will receive our most careful and sympathetic consideration, as will the ideas which motivate the amendments that he proposed.

Let me say, too, in connection with what he said and what I think was also said by the repre-

sentative of Burma⁴ that there is the most complete intention on the part of the sponsors of this proposal that on the board of governors of the agency there be representatives of the underdeveloped countries. That is an assurance that I have made before and which I make again. I feel sure that that will happen and that the various regions of the world will be adequately represented.

This afternoon, the representative of India introduced amendments,⁵ the first of which provides that the negotiations for the agency shall be broadened so as to include all states able and willing to participate. Now this could mean negotiations of more than 60 nations—all of the nations members of the United Nations plus those who belong to the specialized agencies. As we have made plain several times, we are opposed to this type of proposal, which we believe would delay matters for such a long time as very seriously to jeopardize this whole project, if not indeed to destroy it. But this emphatically does not mean that we are not eager actively to consult all governments and to get their views. As I said on November 15, the governments engaged in the current negotiations intend to consult before the agreement establishing the agency is submitted for ratification. In other words, it isn't a question of *fait accompli*, it isn't a question of a paper that is absolutely finished at all.

We intend to consult those governments which indicate an interest in participating in the agency, and the views expressed by the governments so consulted will, of course, be very seriously taken into account. I think it is clear to every member of this committee that the statement which I made then in behalf of the sponsors represents a serious engagement; it is an undertaking on our part to consult with every state which expresses an interest in participating in the agency. Furthermore, we have made it clear that such consultations will take place before the agreement is drawn up in the final form and before it is submitted for ratification.

Now, of course, we cannot say at this time just when the agreement will be drafted in the completed form, and that is why we cannot say now when it exactly will be practicable to consult with other states. But I am certain that if any state

wishes to submit its views before we have completed this agreement, we will be glad to receive them. We have already received a number of suggestions in the course of the present debate which we shall want to take into account in drafting the agreement. All views wherever and whenever submitted will be given the fullest consideration. No one is left out of this contemplation. All views will be taken into account. I am grateful for this opportunity to repeat that again in the most sincere and solemn manner of which I am capable.

INDIAN REPRESENTATIVE'S QUESTIONS ANSWERED

U.S. delegation press release 2033 dated November 19

I realize that the hour is getting very late and normally I would not ask to speak at this time, but I thought that it might be useful to all the members of the committee if our answers to Mr. Menon's questions could be in the record tonight, so that they would be available for study by members during the weekend recess. It is only for that reason that I ask to detain the committee for another few minutes.

Mr. Menon's first question was:

To what negotiations does the word "negotiations" in the second paragraph of the preamble of section A refer?

The answer of the sponsors is as follows: The negotiations referred to in the second preambular paragraph of section A are the negotiations among the eight states which have been consulting for some months now on plans for the establishment of this agency. These are the states listed as cosponsors of the resolution contained in document A/C.1/L.105/Rev.1,⁶ plus Portugal, which is not a member of the United Nations but is a member of the United Nations system of specialized agencies. I should have thought there was no question as to the fact that the seven sponsors of this resolution, plus Portugal, have been engaged in very active negotiations for creating the agency. We have stated this explicitly in the course of debate. This paragraph also refers to the negotiations between the United States and the Soviet Union.

⁴James Barrington.

⁵U.N. doc. A/C.1/L. 107.

⁶Australia, Belgium, Canada, France, Union of South Africa, United Kingdom, and United States.

Question number 2:

In operative paragraph 1 of section A, the sponsors, while accepting generally the suggestion made by us to insert a new paragraph, "Declares that an international atomic agency should be established without delay," have rephrased it as follows: "Expresses the hope that the International Atomic Energy Agency will be established without delay." This would appear to point to a definite agency. We had used the word "an" deliberately. We should be grateful for clarification as to the significance of the word "the."

To this question, our answer is as follows: Operative paragraph 1 speaks of "the International Atomic Energy Agency" rather than "an" agency for the simple reason that, so far as I know, only one such agency is in prospect, and that is the agency which we have been discussing in this committee. If, in the future, another agency comes into existence, nomenclature can be devised then to reflect that fact.

Question number 3:

Operative paragraph 2 of section A says "once the Agency is established." Who will be the parties who will establish the agency? How will the articles of the agency be formulated and how will the co-operation of the states other than the sponsors be obtained? Who would be the parties to the final act of establishment?

Our answer to this question is as follows: As we have indicated in our previous statements, it is not possible at this time to indicate exactly how the agreement for this agency will be formulated or precisely what its provisions will be. I can state, however, that the agreement, when it is formulated, will, of course, indicate who will be the parties to it and how the cooperation of other states must be obtained. But first it must be formulated, and these questions cannot be answered at this stage of the evolution of this idea.

Question number 4:

Operative paragraph 3 of section A limits the communication of the records of the Assembly to "States participating in the creation of the Agency." Since all the member states of the United Nations will receive the records in the normal way, is it the intention to address the states participating in the creation of the agency? Clarification is sought in this connection on the following points:

- (a) Who are the states "participating in the creation of the agency"?
- (b) Who will direct the Secretary-General as to who these states are?
- (c) Under what authority will the Secretary-General limit the circulation of these records to certain member states?

Our answer to this question is as follows: The purpose of operative paragraph 3 of section A is to bring to the particular attention of the states which are engaged in the current negotiations for the establishment of this agency the views expressed by the members of this General Assembly. Of course, the records are available to all members of the United Nations. The point is that this particular group of states to which I have already referred, which are currently negotiating for the establishment of this agency, are being asked to give particular attention to the views of the states represented in this committee. That is why the General Assembly would, under this paragraph, transmit these records to this particular group of states. It does not seem to us that there is any question of limiting the circulation of these records to certain member states, since they are obviously available in the normal way to every member of the United Nations.

Question number 5:

Operative paragraph 4 of section A provides that "the views of Members who have manifested their interest be fully considered." We would seek clarification on the following:

- (a) To be fully considered by whom?
- (b) What would the consideration amount to?
- (c) Who would be the "Members who have manifested their interest"?
- (d) Does "Members who have manifested their interest" mean all those who have spoken in the general debate, or states which hereafter express their interest, or those which hereafter identify themselves by some procedure? And what would that procedure be?

Our answer to that question is as follows: We assure the members of this committee that the states now engaged in negotiations for the establishment of this agency will give the most careful and serious consideration to the views of any member of this organization. As far as the negotiating states are concerned, they will consider the views not only of those states whose representatives have expressed themselves during the course of this debate but of any others that choose to state their views hereafter. There is no question of having any formal procedure for receiving such views since, of course, ordinary diplomatic channels will serve very well for this purpose.

Question number 6:

The wording of paragraph 2 of section B, as it stands, appears to suggest that this conference should consider not only atomic power but other technical areas, such as biology, medicine, radiation protection, not necessarily

related to atomic energy. Hence the suggestion we have made to include the words "in the atomic field." Is there any significance in the inability of the sponsors to agree to our suggestion?

Our answer to this question is as follows: The sponsors were unable to add the words "in the atomic field" to paragraph 2 of section B for the reason that those words seem out of place in the context of the paragraph as it now stands. Every one of the suggestions which are now listed for discussion at this conference is, of course, in the atomic field. We have sought to set forth a sort of outline for the agenda of the conference, and it did not seem helpful to have so general a phrase as the one which the representative of India has suggested.

That concludes our answers to the questions that the representative of India presented this afternoon. I appreciate the patience of the committee in bearing with me at this late hour.

NEW AGENCY'S RELATION TO GENERAL ASSEMBLY AND SECURITY COUNCIL

U.S. delegation press release 2038 dated November 23

Let me begin my very brief remarks today by expressing appreciation for the very real understanding shown yesterday and again today by the representative of India in saying that he would not press his amendment. He asked, as did the representative of Ecuador before him, that his suggestions be borne in mind in the course of the future negotiations with regard to the agency.

In the same spirit, let me repeat that the sponsors will have in the forefront of their minds the various suggestions made during this debate. Let me in particular give to the distinguished representative of Lebanon⁷ the assurance of the sponsors that the agency, once it is established, will very definitely take into consideration the result of the technical conference. The purpose of the amendment suggested by the representative of Lebanon is useful, but the result which they seek is dependent in part upon the establishment of the agency by a given date; and as has been made clear many times, we, the sponsors of this resolution, do not feel it would be desirable to make further changes in the text. A very honest and comprehensive effort has been made to embody all points of view, and, having taken this posi-

⁷ Karim Azkoul. The Lebanese amendments are contained in U.N. doc. A/C.1/L.108.

tion with other members, we feel constrained to take it with all. But the states participating in the establishment of the agency are glad to assure the representative of Lebanon that they will carry out his suggestion just as soon as it becomes practicable to do so.

Now, Mr. Chairman, before beginning discussion of the textual proposals, let me also express the appreciation of the United States delegation for the endorsement given to this atoms-for-peace proposal by the Prime Minister of France, M. Mendès-France, yesterday. When he expressed the hope that the resolution could be passed by a unanimous vote, he said something which the sponsors certainly heartily endorse.

Now, I explained last Thursday [November 18] that we had deleted from paragraph 2 of part A of the pending resolution the phrase "similar to those of the specialized agencies." We had considered these words sufficiently flexible as not to prejudice in any way the results of the negotiations to form the agency. But, since several delegations, including the Soviet Union, objected to this language, the sponsors agreed to its deletion so as to make it completely clear that the resolution should not prejudice the outcome of the negotiations to establish the agency. I said then that this change was acceptable to the interested delegations, including the Soviet Union.

The Soviet delegation now deems it necessary to introduce an amendment⁸ to this paragraph, and on behalf of the sponsors I must reiterate our strong opposition to the concept embodied in this amendment.

The Soviet amendment would make this agency responsible to the General Assembly and to the Security Council. This is unacceptable for this reason: Having agreed that we do not wish to prejudice the negotiations by attempting to specify what the relationship of this agency will be to the United Nations, we obviously cannot accept any language which would make it responsible either to the General Assembly or to the Security Council. This relationship can only be worked out later.

This amendment, if accepted, would not only prejudice the negotiations but would, in all probability, doom them to failure because of the strong aversion in many quarters to tying the agency to the Security Council in this manner.

⁸ U.N. doc. A/C.1/L.106/Rev. 1.

We must avoid a prior determination that this agency must be subordinated to, or operate under the instructions of, the Security Council. Such a relationship would shackle this organization with the abuses of the veto which have made it impossible for the Security Council to carry out its responsibilities under the charter.

Now, Mr. Chairman, in taking this stand, we are not in any way running counter to the very obvious truth that the Security Council, under the charter, has primary responsibility for the maintenance of international peace and security and that the General Assembly also has responsibilities in this field. But this truth does not mean adopting language such as that contained in the pending amendment.

And, of course, if the situation should arise in connection with peaceful uses of atomic energy which endangers international peace and security—and this is a point I would like to stress—it would be a matter of concern both to the Security Council and the General Assembly, and any state would have the right to raise it in both bodies at any time to be dealt with by the United Nations, as are other situations of this nature.

This, I think, makes it clear that the sponsors have no intention of seeking to evade the procedures laid down by the charter. Any country can always bring to the attention of the Council any situation which in its view appears to endanger international peace and security. And, of course, this would be just as applicable in the field of peaceful uses of atomic energy as it would in any other situation.

Now, Mr. Chairman, let me take this opportunity to mention one other point which is somewhat minor. I would like to have the record show our notice of it. It involves the question of translation which is involved in the Russian text of Resolution L.105/Rev.1. I have been informed that the Russian text of the second preambular paragraph would translate into English as "seeking to promote by all means the use of atomic energy." I understand in Russian that is *stremyas vsyacheski sodeystvovat*.

Now, this is virtually the language which the Soviet Union originally offered for this paragraph and which the sponsors did not accept. We understand that the point was met when we agreed to insert the word "energetically" in our text. We could not, of course, agree to the phrase "by all means" as meaning "by all methods." We understand, accordingly, that the Soviet Union uses the

words "by all means" in the sense of "vigorously" or, as we have now indicated in our resolution, "energetically."

The English and French texts are the official versions of this resolution, but the record should be clear that the meaning of this phrase is correctly conveyed by the English and French texts, whether or not the Russian translation is an exact equivalent.

SIGNIFICANCE OF COMMITTEE'S UNANIMOUS VOTE⁹

U.S. delegation press release 2039 dated November 23

Let me at this historic moment express to all the delegates here my thanks for the courtesy which you have shown me during the past weeks when it fell to my lot to do the work on behalf of the United States concerning the atoms-for-peace proposal. I appreciate this courtesy very much and shall always remember it.

Let me also express my admiration for the manner in which this matter has been considered by the members of this committee. The high plane on which it has been treated has been a credit to the governments whose representatives sit here, and it has also contributed I believe significantly to the prestige of the United Nations.

As we all know, one of the main purposes of the United Nations is, in the words of the charter, "to serve as a center for harmonizing." Whenever we can pass anything by unanimous vote, we can feel that the United Nations has to that extent been successful, because it has actually been a center for harmonizing.

Of course, in this case we have been unanimous about something which is very big and which will bring enormous good to mankind.

It has been a privilege to have had a part in this great venture and to have worked in partnership with you to put it into effect. May the decisions we have just taken mark the start of what President Eisenhower referred to as "a new approach to the many difficult problems that must be solved in both private and public conversations if the world is to shake off the inertia imposed by fear and is to make positive progress toward peace."

⁹ The revised seven-power draft was adopted without change. The Soviet amendments were rejected; the amendments of India and of Lebanon were not put to the vote.

Continuing U.S. Interest in U.N. Technical Assistance Program

*Statement by Senator H. Alexander Smith
U.S. Representative to the General Assembly*¹

It is an honor for me to represent by Government at this important conference. This annual conference has become a symbol of practical internationalism to many people throughout the world. There is an old saying: "Out of man's need evolves a solution—that is the law of the universe." The United Nations technical assistance program, on a small scale, shows how valid this saying is.

To many millions throughout the world the United Nations has become real and of personal value because of the work of the 4,200 specialists who have carried the expanded United Nations technical assistance program forward in the last 4 years. Many have been freed from the scourge of malaria—the farmer has had his labor made doubly productive through the use of hybrid corn—children have been restored to health through the use of penicillin—these and millions of others like them now know the true meaning of international cooperation.

In pooling our knowledge through the United Nations technical assistance program, we are not only helping people but we are helping them to help themselves. This is doubly rewarding. Not only are immediate problems solved, but the groundwork is also laid for greater progress in the future. The program grows on its own successes.

The idea of technical assistance has met with almost universal support from people in all walks of life and in all nations. I can best give you the attitude of the United States on this program by quoting from the report of a special commission appointed by the President to study the entire field of United States foreign policy, known as the Randall Commission after its chairman, Clarence B. Randall of Chicago. The Commission recommended—

that within the limits imposed by congressional appropriations, the need for selecting only sound projects, the

¹ Made at the fifth U.N. Technical Assistance Conference at U.N. Headquarters on Nov. 26 (U.S./U.N. press release 2041). At the conference 56 countries pledged the equivalent of about \$12,264,000 to the technical assistance program.

availability of trained technicians, and good administration, the technical cooperation program be pressed forward vigorously. . . . The Commission also recommends that the United States continue its support of the United Nations Expanded Technical Assistance Program. . . .

The opinion of the Foreign Relations Committee of the United States Senate, the body of which I am a member, was stated last July as follows:

The United Nations Technical Assistance Program is now in its fifth year of operations and has proved a worthwhile undertaking. The Committee feels that this program deserves continued United States support. It is more economic for the United States to share the burden of supplying know-how with other nations. Moreover, the United Nations program permits the worldwide recruitment of technicians.

I mention these authoritative opinions because they indicate the continuing interest at the highest levels of my Government in the program of technical assistance through the United Nations.

At the present time my delegation is not in a position to make and have recorded a pledge to the 1955 program. The Congress of the United States at its last session requested the Executive to refrain from making pledges to the United Nations technical assistance program until funds have been appropriated by the Congress. However, the President has authorized the United States delegation to state that he is prepared to request from the Congress funds for a United States contribution to the calendar year 1955 program. He has expressed the hope that the United Nations technical assistance program will continue to operate at least on its present level and that in the future it will obtain increasing support from all governments. I have been authorized to make this statement to indicate the President's continuing interest in this vital United Nations program.

Current Treaty Actions

BILATERAL

China

Mutual defense treaty. Signed at Washington December 2, 1954. Enters into force upon exchange of instruments of ratification.

Viet-Nam

Declaration respecting the rights of nationals concerning trademark protection, with related note. Effected by exchange of notes at Washington November 3, 1953 and October 25, 1954, with related note of November 22, 1954. Entered into force October 25, 1954.

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Vol. XXXI, No. 808

December 20, 1954



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The Department of State bulletin

VOL. XXXI, No. 808 • PUBLICATION 5695

December 20, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

United Nations Condemns Action of Communist China in Imprisoning American Fliers

On December 4 Henry Cabot Lodge, Jr., U.S. Representative to the United Nations, proposed that the ninth General Assembly add to its agenda the problem of 11 American fliers, members of the U. N. Command, who had been sentenced to imprisonment in Communist China. Three days later he addressed a second request to the Secretary-General, asking that the General Assembly consider four additional cases of imprisoned aviators. Following are the texts of Ambassador Lodge's requests, his statements in the General Committee and plenary session, and the resolution, sponsored by the 16 member governments whose forces had fought in Korea, which the General Assembly adopted on December 10.

LETTER TO THE SECRETARY-GENERAL, DECEMBER 4

U.N. doc. A/2830

The Government of the United States of America, as the Unified Command of United Nations forces in Korea, proposes herewith the inclusion of the following additional item on the agenda of the ninth regular session of the General Assembly:

"Complaint of detention and imprisonment of United Nations military personnel in violation of the Korean Armistice Agreement".

Pursuant to rule 20 of the rules of procedure, an explanatory memorandum is attached.

In view of the urgency and importance of this item, I request that a meeting of the General Committee be convened at the earliest possible moment.

HENRY CABOT LODGE, JR.

Explanatory Memorandum

Complaint of Detention and Imprisonment of United Nations Military Personnel in Violation of the Korean Armistice Agreement

A United States Air Force B-29 type aircraft, on a mission of the United Nations Command in

Korea, was attacked fifteen miles south of the Yalu River near the North Korean town of Sonchon and shot down on 12 January 1953. The officers and men of the United States Air Force on the plane were captured. More than a year and a half later, and long after the conclusion of the Korean Armistice Agreement providing for the release of all captured personnel desiring repatriation, eleven officers and men from the above-mentioned aircraft were brought before a Chinese Communist military tribunal and sentenced to long terms of imprisonment.

This is a clear-cut violation of the Armistice Agreement.

The United States Government first learned of this action by the Chinese Communist authorities through a broadcast of the Peking radio on 24 November 1954. Immediately thereafter, the United States Government sought to communicate with the Chinese Communist authorities, both directly in Geneva and through the United Kingdom Government, to protest this serious violation of the Korean Armistice Agreement.¹ The Chinese Communist authorities rejected these representations.

The Government and people of the United States are shocked and outraged by the treatment thus accorded to its airmen who were serving the cause of peace under the Charter, and hold these same feelings for the men of other nations who are held prisoner. The Governments of other nations hav-

¹ BULLETIN of Dec. 6, 1954, p. 856.

Text of Resolution ¹

U.N. doc. A/L. 182 dated December 7

The General Assembly,

Having considered the item proposed by the United States of America as the Unified Command regarding eleven members of the United States armed forces under the United Nations Command captured by Chinese forces when undertaking a mission on 12 January 1953, at the direction of the United Nations Command,

Recalling the provisions of article III of the Korean Armistice Agreement regarding the repatriation of prisoners of war,

1. *Declares* that the detention and imprisonment of the eleven American airmen, members of the United Nations Command, referred to in document A/2830, and the detention of all other captured personnel of the United Nations Command desiring repatriation is a violation of the Korean Armistice Agreement;

2. *Condemns*, as contrary to the Korean Armistice Agreement, the trial and conviction of prisoners of war illegally detained after 25 September 1953;

3. *Requests* the Secretary-General, in the name of the United Nations, to seek the release, in accordance with the Korean Armistice Agreement, of these eleven United Nations Command personnel, and all other captured personnel of the United Nations Command still detained;

4. *Requests* the Secretary-General to make, by the means most appropriate in his judgment, continuing and unremitting efforts to this end and to report progress to all Members on or before 31 December 1954.

¹ Sponsored by Australia, Belgium, Canada, Colombia, Ethiopia, France, Greece, Luxembourg, Netherlands, New Zealand, Philippines, Thailand, Turkey, Union of South Africa, the United Kingdom, and the United States; adopted by the General Assembly on Dec. 10 by a vote of 47-5 (Soviet bloc). Afghanistan, Burma, India, Indonesia, Syria, Yemen, and Yugoslavia abstained from voting, and Saudi Arabia was absent.

ing troops in Korea share this feeling of indignation at this violation of the Armistice Agreement.

The United States believes this conduct of the Chinese Communist authorities has created a serious situation for the United Nations, which called for the action in Korea to repel Communist aggression, and which requested the United States to provide a Unified Command of United Nations forces in Korea. The United States believes the United Nations must now act promptly and decisively to bring about the release of these eleven officers and men and all other captured personnel of the United Nations Command still detained.

STATEMENTS IN GENERAL COMMITTEE, DECEMBER 6

U.S. delegation press release 2063

The United States, in its capacity as the Unified Command of the United Nations Forces in Korea has requested the inclusion in our agenda of a item entitled "Complaint of detention and imprisonment of United Nations military personnel in violation of the Korean Armistice Agreement."²

The decision to bring this matter before the Assembly results from exhaustive consultations with all the other United Nations members whose forces fought in Korea and who agree wholeheartedly on the urgent need for this step.

The facts underlying our complaint are given in the explanatory memorandum distributed as document A/2830, which is before us. Here is the story stated very briefly:

A United States Air Force B-29 type aircraft was dispatched on January 12, 1953, to conduct leaflet operations in North Korea. This flight was subject to the standing orders of the United Nations Command restricting all air operations to the territory of Korea south of the Yalu River. The aircraft bore the standard markings of the United States Air Force. All personnel aboard were members of the United States Air Force. They were in uniform and they carried the required identification documents, including documents identifying them as members of the United Nations Command.

The last contact with the aircraft was a spotting by the United Nations Command radar at approximately 2310 hours at a point about 15 miles south of the Yalu River near the North Korean town of Sonchon. The radar operator reported that his spotting showed that the B-29 had been attacked by 12 enemy fighters. The aircraft commander radioed a distress signal. Shortly thereafter, the aircraft disappeared from the radar scope, and this was the last that the United Nations Command heard of the plane at any time close to the time of its last flight.

After the signing of the Korean Armistice Agreement, the United Nations Command com-

² The General Committee on Dec. 6 decided, by a vote of 10-2 (Czechoslovakia, U.S.S.R.)-2 (Burma, Syria) to recommend that the Assembly include the U.S. item and deal with it directly, without reference to committee.

ponent of the Military Armistice Commission made repeated but unsuccessful efforts to obtain an accounting of all the unrepatriated United Nations Command personnel, including the crew of this aircraft. Further unsuccessful efforts were made by the United States Government through the British representative in Peiping. At Geneva in June 1954, the Chinese Communists admitted holding the surviving 11 members of this crew. Then, on November 24, 1954, the United States Government learned from a radio broadcast of the Peiping radio that these 11 airmen were brought before a Chinese Communist military tribunal and sentenced to long terms of imprisonment as common criminals.

Immediately thereafter the United States sought to communicate with the Chinese Communist authorities both directly in Geneva and through the United Kingdom Government to protest this most serious violation of the Korean Armistice Agreement. The Chinese Communist authorities rejected these representations.

These are the principal facts, Mr. President, and we will add further details in the discussion of substance in the debate.

Let me say this: The Korean Armistice Agreement has imposed an obligation upon the parties to release all captured personnel desiring repatriation. The 11 American airmen, as uniformed and documented personnel of a component part of the United Nations Command shot down while on a combat mission, were entitled to be repatriated. The detention of these men more than a year after the deadline set by the Armistice Agreement for the release of captured personnel and the imprisonment of these men is a glaring violation of an essential provision of the Armistice Agreement.

Mr. President, it is an immemorial principle of human decency that a family looks after its own members. A nation must also look after its own, if it is to continue to be a nation. And the United Nations must show an equal interest in these men who by their personal efforts sought to repel an aggression which the United Nations itself was opposing. The thing that sustains the man in uniform when he is far from home is the thought that he is being supported by those for whom he is fighting. We in the United Nations cannot let these men down. They are United Nations men.

They were sent to Korea in response to a request from the United Nations.

For these reasons, Mr. President, the United States believes that the proposed item should be placed on the agenda and that the United Nations should act promptly and with determination to bring about the release of the 11 airmen and all other captured military personnel of the United Nations Command who are still detained.

It is incumbent upon me to make some reply to the statement which you have just heard.

The Soviet representative [Jacob A. Malik] makes a charge of espionage, and the charge he makes is totally unsupported. The only basis that he furnishes for it is, of all things, the Chinese Communist News Service, if you please. There is no factual basis whatever for such an assertion. The only thing on which these men could possibly spy would be the prison walls in which they have been incarcerated. Later on we will show you a map which contains the radar tracing showing exactly where that plane went and where it dropped. It is incontrovertible scientific evidence of just when that plane was shot down and where.

The Soviet representative talks about confessions which have been obtained from American personnel, and that, let me say, is no new story here. Last year we demonstrated the way in which false confessions were extracted from United Nations military personnel by what can only be described as torture—by subjecting them to physical deprivations, physical discomfort, every kind of hardship until the man would crack and then would confess to whatever it was that the Communist propaganda machine wanted him to confess to.³ We produced last year films showing some of these young Americans making these confessions from the Communist film, and then showing the same man getting off the boat in San Francisco and saying he had been coerced into making those so-called confessions. So, if the Soviet representative wants to tell us that we are going to be treated to some more brain-washing, we are not surprised and we expect it.

Then he made reference to the fact that it was the Chinese Communist "volunteers" and not the Chinese Communist Government that signed the

³ BULLETIN of Nov. 9, 1953, p. 641.

Korean Armistice Agreement. Well, of course, Mr. Chairman, everyone, including the individual who just uttered that statement, knows very well that the "volunteers" were a fiction. And to hide behind this fiction shows how weak the case actually is. When Chou En-lai went to Geneva he went as the Chinese Communist Foreign Minister and not as a "volunteer."

Finally, we—the United States in particular—are accused of seeking to intensify the cold war. Well, many of you in this room read the statement of President Eisenhower last week in which he counseled moderation and self-control and patience.⁴ Most of you in this room know Dwight Eisenhower and you know that, if there is one thing which is closest of all to his heart, it is peace in this world. And it simply is not believable that Dwight Eisenhower, whose instructions I am carrying out here, would seek to intensify the cold war. No one here believes that and I am quite sure that the Soviet representative does not either.

In connection with the statements made by the representatives of Burma and Syria [James Barington and Rafik Asha], let me say that after the signing of the Armistice Agreement the United Nations Command component of the Military Armistice Commission demanded an accounting of all unrepatriated United Nations Command personnel, including the personnel of this aircraft believed to be held by the Communists. Five separate demands were made between September 9, 1953, and August 17, 1954, and no information concerning the members of this crew was given in reply. So we feel therefore that that particular remedy has been exhausted.

Now, Mr. President, the representative of the Soviet Union of course went into the substance of this whole question and would have been subject to the point of order—[Interrupted by the President].

Well, I had thought that it would not be in accordance with the rules for me to attempt an answer this afternoon to all the points of substance which were made by the delegate of the Soviet Union. I will reply to all the many points of substance which were made by the representative of the Soviet Union in the plenary meeting.

⁴ *Ibid.*, Dec. 13, 1954, p. 887.

But I will simply make this last statement at this time, which is to point out that the Soviet representative in his first statement said that these 11 men, when they were captured, were in uniform—which is true. But this single admission by the Soviet representative reveals the whole falsity of the Communist case, for when did a spy ever go about his task dressed in the uniform of his country? It is typical of the contempt in which communism holds human intelligence to seek to make world opinion believe that a man in the full uniform of a colonel of the United States Air Force, complete with his wings and decoration and everything else, is going to try to spy in China!

Mr. President, let us hear no more of this foolish talk about espionage. As I said, I will deal later with the other points which the Soviet representative made.

LETTER TO THE SECRETARY-GENERAL, DECEMBER 7

U.N. doc. A/2843

With further reference to my communication of 4 December 1954, I have the honour to request that you circulate this letter to all Members of the General Assembly in connexion with the proposed agenda item: "Complaint of detention and imprisonment of United Nations military personnel in violation of the Korean Armistice Agreement".

In addition to those referred to in my communication of 4 December, there are four American airmen who were captured while engaged on missions of the United Nations Command in the Korean conflict, and whose detention is admitted by the Chinese Communists. This detention is a violation of the Armistice Agreement. The facts concerning their cases are as follows:

First Lt. Lyle W. Cameron, of Lincoln, Nebraska, was the pilot of an F-84 type aircraft which departed from Taegu Air Base, Korea, on 26 October 1952, to participate in an armed reconnaissance mission between Kanggye and Huichon in North Korea. After reaching the target area and while bombing locomotives, his plane was damaged and he had to bail out. He landed safely at a point several miles south of Kanggye, as reported by his emergency radio that he was un-

hurt and would hide along a ridge. The other flight members soon left the area due to fuel shortage; upon returning later in the day, they found no trace of Lt. Cameron. The Peking radio on 30 October 1952, announced that Lt. Cameron had been captured after his plane was lost over China. In December of 1952, so-called news releases with pictures of Lt. Cameron were widely distributed by the Communists, who publicized his mission and the shooting down of his plane as an example of American aggression against China.

Captain Harold E. Fischer, of Swea City, Iowa, was the leader of a flight of F-86 type aircraft on a mission, 7 April 1953, in North Korea along the Yalu River. Hostile fighters were encountered and engaged in battle. Following this engagement, Captain Fischer radioed the other members of the flight to get out of the area. No further contact was made with Captain Fischer, and the Air Force failed to locate him or his aircraft. Propaganda broadcasts from Peking, on 10 April 1953, reported that Captain Fischer's aircraft had been shot down and that he was captured.

First Lt. Roland W. Parks, of Omaha, Nebraska, was a member of a flight of F-86 type aircraft which departed from Suwon Air Base, Korea, to participate in a combat mission over North Korea on 4 September 1952. During a sweep in North Korea along the Yalu River, hostile fighters were encountered and engaged in battle at an altitude of 28,000 feet. In the ensuing action, Lt. Parks became separated from the flight, and subsequently radioed that his gyro and radio compasses were inoperative and that he did not know his position. Repeated attempts to direct him toward friendly territory were unsuccessful; when it became apparent that he was low on fuel, he was requested to describe the terrain over which he was flying. His reply revealed that he was apparently over the Liaotung Peninsula in Manchuria. Five minutes later, Lt. Parks radioed that his engine had failed, and that he was bailing out. He appears to have been at this time in the vicinity of Dairen, Manchuria.

Lt. Col. Edwin L. Heller, of Wynnewood, Pennsylvania, was leader of a flight of F-86 type aircraft on a combat mission in North Korea along the Yalu River on 23 January 1953. Hostile fighters were encountered and engaged in battle. During the ensuing action, Col. Heller's aircraft

was damaged by hostile fire and when last seen was at an altitude of 40,000 feet. Propaganda broadcasts from Peking on 28 January 1953 alleged that Col. Heller had invaded Manchuria and was captured when he bailed out of his damaged plane.

Chinese Communist representatives at Geneva admitted earlier this year that the Chinese Communists held these four jet pilots. Each of them continues to be detained by the Chinese Communist regime in violation of the Korean Armistice Agreement.

HENRY CABOT LODGE, Jr.

DECEMBER 8 PLENARY STATEMENT SUPPORTING GENERAL COMMITTEE'S REPORT

U.S. delegation press release 2068 (Excerpts)

The General Assembly now has before it the report of the General Committee⁵ recommending inclusion in our agenda of the proposed item entitled "Complaint of detention and imprisonment of United Nations military personnel in violation of the Korean Armistice Agreement." It was also the General Committee's recommendation that this item be considered directly in plenary, not later than today. The United States urges the approval of these recommendations.⁶

The decision to bring the present complaint before the United Nations came after thorough consideration by all of the member states whose forces fought in Korea. All 16 agreed on the necessity of urgent steps.

I expect to set forth later the known facts concerning military personnel of the United States Air Force who were taken prisoner while engaged on missions of the United Nations Command in the Korean conflict. It is enough now to state that 11 of these airmen have been sentenced, on trumped-up charges, by a Chinese Communist military tribunal to long prison terms. Four others are admittedly detained by the Chinese Communists although they too have long been entitled to re-

⁵ U. N. doc. A/2838.

⁶ The General Assembly decided in favor of including the item by a vote of 48-5 (Soviet bloc)-4 (Burma, India, Indonesia, and Syria). The vote on the General Committee's recommendation that debate begin immediately and without reference to committee was 44-5-8 (Afghanistan, Burma, Egypt, India, Indonesia, Syria, Saudi Arabia, Yugoslavia).

patriation. Large numbers of other missing United Nations military personnel—Americans and nationals of other countries—have also not been repatriated and have not been accounted for by the Communists.

On Monday [December 6], in the General Committee, we heard from the Communist representatives some elaborate legal or, more accurately, pseudo-legal arguments against the jurisdiction of the United Nations to consider the present item. I wish to deal shortly with these now.

Pseudo-Legal Arguments of Communists

First, there was mentioned the perennial argument based on article 2, paragraph 7 of the charter, which provides that the United Nations may not intervene in matters essentially within the domestic jurisdiction of a state. The Communist governments have their own dialectic interpretation of this provision. When it comes to problems in non-Communist countries, such as the questions before this Assembly relating to North or South Africa, the Communist delegations have no difficulty whatever in arguing that these are matters quite properly within the jurisdiction of the United Nations. But when charges were advanced that the satellite ex-enemy countries had violated their peace-treaty obligations, or that a democratic regime in Czechoslovakia was subverted with interference from abroad, there, of course, the Soviet delegation and its friends tried to raise the bar of domestic jurisdiction. The case before us involves mistreatment by Chinese Communist authorities of American and other United Nations military personnel engaged on a United Nations mission, where the mistreatment was in violation of an international agreement. There surely cannot exist a clearer case of international controversy to which article 2, paragraph 7 does not apply.

Secondly, it was argued in the General Committee that the United Nations is not competent to deal with the present item because the Armistice Agreement established special organs and provided special procedures for supervision of the armistice and for dealing with complaints of violations of the Armistice Agreement.

Mr. President, the Armistice Agreement established three principal bodies. In the first place, it

set up the Neutral Nations Repatriation Commission, which has completed its tasks, has been dissolved, and is not available as a forum.

Second, there is the Neutral Nations Supervisory Commission. This Commission is composed of Sweden, Switzerland, Poland, and Czechoslovakia. According to paragraph 41 of the Armistice Agreement, it was to conduct inspections and maintain supervision of provisions of the Armistice Agreement relating to the introduction in Korea of reinforcements in troops and armaments. The Commission was given no function of interpreting the agreement. Although it was given certain powers of investigation, its composition with the built-in veto has made it a totally ineffective body for any supervision or investigation in Communist-held territory. Everybody knows what the veto means in the hands of the Communists. To bring our present complaint before that Commission would be an exercise in patent futility.

Finally, there is the Military Armistice Commission, which in paragraph 24 was given generally the duty to supervise the implementation of the Armistice Agreement and to settle through negotiations any violation. Mr. President, let me give now an account of the efforts made by the United Nations Command component in the Military Armistice Commission to follow this procedure and to induce the Chinese and North Korean Communist component to account for the United Nations military personnel still not repatriated or released, including the 11 American airmen from the B-29 and the 4 jet pilots.

Efforts Made in Military Armistice Commission

From Communist radio broadcasts, from letters received from Communist prison camps, from reports by returned prisoners, the United Nations Command painstakingly built up a list of 3,441 names. These were men who we had reason to believe had at one time been in Communist hands but for whom the Communists had never given an accounting. They were from all nations participating in the United Nations Command. On September 5 advance notice was given to the Communist component in the Military Armistice Commission and on September 9, 1953, the list was presented in the Commission with a request for an accounting for each person listed. The names

of the 11 airmen and the 4 jet pilots were on that list.

This was the Communist answer: "All those prisoners of war in our custody who insisted on repatriation were repatriated by September 6 and all those prisoners of war in our custody who requested not to be directly repatriated will, in accordance with the provisions of the Armistice Agreement, be turned over to the Neutral Nations Repatriation Commission for custody." On October 3 the Communists added—without providing names—that 519 of those we had listed had already been repatriated and 380 had previously been reported as released at the front, escaped, or dead. But the men of the United Nations Command about whom we complain were neither repatriated nor turned over to the Repatriation Commission. The Communists in the Military Armistice Commission acted as if they did not exist.

As new information trickled in, the United Nations Command modified the list on November 2, 1953, and February 19, 1954—adding some names and deleting others. The list stood at 3,405 names on May 13, 1954, when a renewed request was made in the Military Armistice Commission for an accounting. Remember, again, that the names of the 11 airmen and the 4 jet pilots were on the list.

This was the Communist answer: "Prisoners of war of your side once held by our side were already completely repatriated in accordance with the Armistice Agreement." And the Communist spokesman, General Lee Sang Cho, did not accept the lists submitted to him, although a member of his staff picked them up from the conference table.

The same performance was repeated on May 22. Again there was the flat denial: "As early as . . . September 21, 1953, our side had concretely rejected this whole roster of your side as being crudely manufactured."

Finally, on August 17, 1954, a revised list of 2,840 names was presented to the Communist component of the Military Armistice Commission.⁷ This list took into account the latest information available to the United Nations Command. The United Nations Command representative explicitly requested a name-by-name accounting of what had happened to each listed prisoner. Re-

member, once again, that the names of the 11 airmen and the 4 jet pilots were on the list.

This was the Communist answer: "As to such an openly fabricated roster which your side submitted today in an attempt to slander our side, our side categorically rejects it. . . . There are no captured personnel of your side for whom our side has to give additional accounting." When reminded that at Geneva a few weeks earlier the Chinese Communists had admitted holding these airmen, the Communist representative brushed the question aside, saying: "The matter of these military personnel of your side allegedly retained by the authorities outside Korea, as a result of your personnel's activities, is beyond the authorities (*sic*) of the Military Armistice Commission. Our side considers that it is inappropriate to take up this irrelevant matter for discussion at the meeting of the Military Armistice Commission."

This time, the Communists left the lists lying on the table when they left.

This last chapter in the long efforts is revealing. The Soviet representative, as a rule, purports to speak with considerable authority when it comes to voicing the attitudes and opinions of the Chinese Communists and of the North Koreans. There is, however, the interesting discrepancy between the advice he has given to us in the General Committee last Monday and the position on this matter taken by the Communist representatives in the Military Armistice Commission. The Soviet and Czech delegates have claimed that the United Nations is not competent to deal with this problem because it must be dealt with in the Commission under the Armistice Agreement. The Chinese Communist and North Korean spokesmen claimed that the Military Armistice Commission was not competent to deal with the airmen detained outside Korea.

Every Remedy Exhausted

There is, Mr. President, no doubt that the United Nations Command has exhausted every remedy which it was able fruitfully to pursue under the armistice. In the light of the sorry record of the Military Armistice Commission, it should be understandable why, faced with the emergency created by the sentencing of our airmen, the United States has decided, in consultation with the other 15 nations with troops in

⁷ BULLETIN of Sept. 13, 1954, p. 379.

Korea, to appeal to the General Assembly rather than the Military Armistice Commission.

Another pseudo-legal argument made in the General Committee by the Czechoslovakian representative is based on the provisions of the Geneva Convention Relative to the Treatment of Prisoners of War. The Czech representative [Jiri Nosek] argued, and I quote from a recorded transcription:

It is well known to the Government of the United States that if prisoners of war were actually involved—and I would like to say *if* prisoners of war were actually involved—the provisions of the Geneva Convention on the detention and on the completion of punishment would apply.

This argument is transparently false for a variety of reasons. In the first place, the Armistice Agreement provided for the repatriation of all prisoners of war desiring repatriation. A special agreement prevails over a general convention. The Armistice Agreement, which is a special agreement, is controlling here and clearly prevails over the provisions of the Convention if it were applicable. The Communists themselves, in the Military Armistice Commission, not only acknowledged but urged this result in regard to the repatriation of captured personnel. It was agreed in the Commission to return all prisoners of war—including those who were alleged to have committed crimes *before or after* their capture. This is what they said at the 16th meeting of the Military Armistice Commission on August 31, 1953:

Our side has repeatedly stated that our side will repatriate, before the conclusion of the repatriation operation, all captured personnel of your side who insist upon repatriation, including those prisoners of war who committed crimes before or after their capture.

There is a certain irony in Communist delegates seeking to invoke the Geneva Convention of 1949. At the outset of the conflict in Korea, the United Nations Command announced that it would be governed by the humanitarian principles of the Geneva Convention, and it observed them scrupulously. A statement of undertaking to comply was elicited from the Communist side. But the Communists' gross repudiation of their promise was made known to the world by their obstinate refusal to permit the Red Cross representatives to visit the prisoner-of-war camps—as we did—and their refusal to provide the International Com-

mittee of the Red Cross with lists of prisoners captured by them—as we did. Even more terrible evidence is provided by the atrocities perpetrated upon United Nations personnel who were captured.

Another, and perhaps the most remarkable, argument of a legal nature was advanced in the General Committee. It was an argument pertaining not so much to the jurisdiction of the United Nations as to the substance of our complaint. This argument is to the effect that the Armistice Agreement binds the commander of the so-called Chinese People's Volunteers but does not bind the Chinese Communist regime in Peiping. This argument is used in support of the proposition that the Chinese Communist regime cannot be charged with the violation of an agreement to which it is not a party.

Mr. President, this modern myth about volunteers has been exploded so frequently that it is an insult to the intelligence of this body for another reference to be made to it at this late date. More than 800,000 Chinese soldiers participated in the Communist aggression in Korea. They came to Korea not with crude, homemade weapons but with modern arms of all types. The commander of these so-called "volunteers" was at the same time the Deputy Commander in Chief of the Chinese Communist Army and Deputy Chairman of the People's Revolutionary Military Council, the highest military organ of the Peiping regime.

In February 1951, the General Assembly found that the Chinese Communist regime—not the "volunteers"—had engaged in aggression in Korea. Article 60 of the Armistice Agreement provided that the military commanders of both sides should recommend to their *governments* that they hold a political conference "of a higher level of both sides." What was the "higher level"? Who presumed to speak for the Chinese People's Volunteers in Geneva? Mr. Chou En-lai himself, the Prime and Foreign Minister of the Chinese Communist regime.

Incidentally, by 1953 even Mr. Chou En-lai had tired of the pretense about the "volunteers." I refer you to his cablegram of September 13, 1953, to the Secretary-General of the United Nations, which was circulated as document A/2469. All through that cablegram Mr. Chou En-lai refers to the "two belligerent sides," clearly including the Chinese Communist regime on one of the two sides. There was no mention of "volunteers."

Armistice Agreement Binding

The Communist delegates who have sought to construct a legal argument that the Peiping regime is not bound by the Armistice Agreement cannot fail to be aware of the familiar rule of international law that a general armistice agreement may be concluded only on the authority of a government. If such an armistice is concluded in this manner, it binds the government which gave the authorization to the military commander signing the agreement.

The entire legal argumentation advanced on Monday by the Czech and Soviet representatives is nothing but a fraudulent quibble. This is how the argument goes: (1) The United States should have raised its complaint of the detention of the airmen in the Military Armistice Commission; (2) the Armistice Commission (according to the Chinese and Korean Communists in that Commission) is not competent to deal with the question because the airmen are held outside Korea; (3) the Chinese People's Volunteers are bound by the armistice, but they do not detain the airmen, so they could not violate the armistice; (4) the Communist regime in Peiping admits holding our airmen, but it is not bound by the armistice and therefore could not have violated it by detaining these men; (5) the provisions of the Geneva Convention allow this regime to detain, try, and sentence prisoners of war for alleged offenses, although the Communist component in the Military Armistice Commission stipulated that under the armistice even prisoners who had committed crimes must be given the opportunity of repatriation.

I believe, Mr. President, the barrenness of the arguments against inscribing the item before us is quite apparent, and I urge the Assembly to proceed without delay to inscription so that we may begin this very important debate on the merits.

DECEMBER 8 PLENARY STATEMENT ON U. S. COMPLAINT

U.S. delegation press release 2069 (Excerpts)

The 16 nations whose troops fought to uphold the United Nations Charter in Korea have decided to ask the Assembly to consider urgently the plight of the United Nations military personnel

detained and imprisoned contrary to the Korean Armistice Agreement. The United States in the exercise of its special responsibility as the Unified Command of all United Nations forces in Korea has made the formal proposal instituting the present proceeding.

A few days ago, the Peiping radio announced the sentencing and imprisonment of 11 American airmen who had fought in Korea. They could have been men of any of the many nations whose fliers fought in the skies over Korea on United Nations missions. They happened to be Americans, and I have the grave responsibility to try to convey to you the depth of the emotion and anguish with which the American people received the news of the Peiping so-called trial.

Any self-respecting government, Mr. President, has the elementary and historic duty to protect its men whom it sends to war.

In bygone days each government was the sole judge of the means for such protection and of the use of power to that end.

The United States has come before the United Nations because the United Nations was set up as a collective instrument for justice and because the United Nations has a very special responsibility for the men who went to fight in Korea in response to a call by the United Nations.

The story of the 11 airmen is a chapter in the long book about men who fought in Korea and fell into Communist hands.

The Communist military authorities in Korea failed to provide information and to account for large numbers of United Nations military personnel who were missing in action and we had reason to believe had been captured.

When finally the Armistice Agreement was signed, the Communists undertook to return all United Nations personnel desiring repatriation. The United Nations Command component of the Military Armistice Commission demanded an accounting of all unrepatriated United Nations Command personnel who were believed held by the Communists. Five separate demands were made between September 9, 1953, and August 17, 1954, and these demands included the 11 airmen. No satisfactory information was obtained in reply. A further request for information concerning these personnel was made through the United Kingdom representative at Peiping in May 1954. No answer was received to this inquiry.

Negotiations at Geneva

Then came the Geneva Conference. At Geneva on June 10, 1954, United States Ambassador U. Alexis Johnson submitted to Wang P'ing-nan, Secretary General of the Chinese Communist delegation to the Geneva Conference, lists of various categories of civilian and military personnel who, according to our best belief, had been prisoners of war in Communist custody. Ambassador Johnson stressed that these lists were based on our best information, and he requested that all persons named on the lists be released or accounted for. These lists included the names of the 11 B-29 crew members and the 4 Air Force jet pilots. Finally, at a meeting on June 15, the Chinese Communist representative admitted that there were United States military personnel imprisoned in Communist China for "violation of Chinese territorial air." On June 21, he acknowledged that the Chinese Communist regime had imprisoned 15 United States Air Force personnel, namely, the 11 surviving American crew members of the B-29 shot down on January 12, 1953, and 4 Air Force jet pilots. Wang stated that the remaining 3 members of the 14-man B-29 crew had died from injuries received in parachuting from the plane when it was shot down.

After these meetings in Geneva 5 months went by, and no further information was elicited from the Chinese Communists. They made no move to release any of the captured personnel admitted or believed to be detained by them.

In addition to the 15 United States airmen whom the Chinese Communists admitted holding on June 21, 1954, there remain 470 Americans of the United Nations Command who are believed to have been captured by the Communists and who have in no way been accounted for. This figure is exclusive of the numbers of United Nations military personnel from other countries, and of Republic of Korea military personnel, who have not been accounted for by the Communists.

We had hoped, through painstaking and persistent negotiation, to secure information on all of the missing men, and to bring about the release of all captured personnel still detained. In Panmunjom, in Peiping, and in Geneva these efforts brought no concrete response.

Then, on November 24, 1954, the Peiping radio announced suddenly that a Chinese Communist military tribunal had imposed long prison sen-

tences on 11 of the American fliers still held in China. The United States Government immediately made representations to the Chinese Communist authorities, through the United Kingdom Government and directly in Geneva. The representations were summarily rejected.

Story of the B-29

Here is the story of the plane manned by the 11 members of the United States Air Force imprisoned on the order of a Chinese Communist military tribunal. The plane was a B-29 type aircraft under the command of Colonel John K. Arnold, who was Commander of the 581st Air Resupply and Communications Wing. The crew all belonged to this wing, which was a component element of the 13th Air Force with headquarters at Clark Air Force Base, Philippine Islands. The wing was engaged in operational flights supported by the 91st Strategic Reconnaissance Squadron at Yokota Air Base, Japan, under the command of the Far East Air Forces, all of which were components of the United Nations Command.

On January 12, 1953, this B-29 type aircraft was dispatched at 1720 hours, local time, from Yokota Air Base, Japan, to conduct leaflet operations in North Korea. The aircraft was operating as part of and directly in support of United Nations Command combat operations. Assigned targets for the dropping of the leaflets were the North Korean cities of Pakchon, Pukchin, Kusong, Sonchon, Charyongwan, and Cholsan. This type of mission is a standard operation practiced generally in modern warfare. It was used extensively in Korea.

The flight on January 12, 1953, was subject to the standing orders of the United Nations Command restricting all air operations to the territory of Korea south of the Yalu River. The plane bore the standard markings of the United States Air Force. All personnel aboard were members of the United States Air Force, were in uniform, and carried the required identification documents, including documents identifying them as members of the United Nations Command. The plane was scheduled to return to Yokota Air Base at 0130 hours, local time, on January 13.

The last contact with the aircraft during its mission was a spotting by United Nations Command radar at approximately 2310 hours at a point about 15 miles south of the Yalu River near the

North Korean town of Sonchon. The radar operators reported spotting the B-29 attacked by 12 enemy fighters. The aircraft commander radioed the code word "May Day" at 2316 hours. This is an international distress signal, indicating in this case that the aircraft was damaged beyond control and was being abandoned. The aircraft disappeared from the radar scope shortly thereafter. A map has been prepared showing the flight plan of this aircraft and the place where it was last sighted on radar. I am having this map made available to all delegations.

No further reports or indications of the fate of this aircraft were obtained at the time by the United Nations Command, and its crew was thereafter listed as missing in action.

Between the date when the plane was shot down and June 1954, the only bit of information gleaned concerning the fate of these men was an item on the Peiping radio, January 21, 1953, announcing the capture of three of the crew members: Colonel Arnold, Major Baumer, and Captain Vaadi.

I should like to read the names of the surviving members of the crew into the record. As I have said, Col. John K. Arnold, now 41 years old, was Commander of the 581st Air Resupply and Communications Wing. His wife lives in Montgomery, Ala.

Maj. William H. Baumer, 32 years old, was the instructor pilot. His mother lives in Lewisburg, Pa.

Capt. Elmer F. Llewellyn, 29 years old, was navigator of the aircraft. His wife lives in Missoula, Mont.

Capt. Eugene J. Vaadi, 33 years old, was aircraft commander. His wife lives in Clayton, N. Y.

1st Lt. John W. Buck, 35 years old, was aircraft observer. His parents live in Armathwaite, Tenn.

1st Lt. Wallace L. Brown, 28 years old, was the pilot. His wife lives in Montgomery, Ala.

T. Sgt. Howard W. Brown, 32 years old, was flight engineer. His parents live in St. Paul, Minn.

Airman 1c Steve E. Kiba, 22 years old, was radio operator on the plane. His parents live in Akron, Ohio.

Airman 2c Harry M. Benjamin, Jr., 22 years old, was a scanner on the aircraft. His wife lives in Worthington, Minn.

Airman 2c Daniel C. Schmidt, also 22 years

old, was central fire-control gunner on the plane. His wife is now in Redding, Calif.

Airman 2c John W. Thompson, III, 23 years old, was also a scanner. His parents live in Orange, Va.

These men, after capture on a mission of the United Nations to restore peace in Korea, have been sentenced by a Chinese Communist military tribunal to prison terms ranging from 4 to 10 years.

I have already mentioned, Mr. President, that the Chinese Communist representative, Wang P'ing-nan, acknowledged at Geneva last June that his regime held 4 other United States Air Force personnel besides the 11 just named. I want to give the Assembly the facts in these cases as well.

[See Ambassador Lodge's letter of December 7.]

Mr. President, these 15 Americans have now been held in captivity for many long months, some of them for more than 2 years. Most of their fellow soldiers returned from Korea with their units. The families of these 15 are still waiting. We here have a grave responsibility to these men, to their families, to their fellow citizens in Alabama, Pennsylvania, Montana, New York, Tennessee, Minnesota, Ohio, Virginia, Nebraska, and Iowa and in all the United States.

Mr. President, the continued detention of any prisoners of war desiring repatriation is a clear-cut violation of the armistice in Korea concluded on July 27, 1953. The imprisonment of 11 members of the United States Air Force after a so-called trial before a Chinese Communist military tribunal is a severe aggravation of this breach of a solemnly undertaken international agreement.

Let me review the relevant provisions of the Korean Armistice. These are contained in article III of the main agreement and in the annex containing the Terms of Reference for the Neutral Nations Repatriation Commission. Paragraphs 51 and 54, in article III, contain provisions now pertinent that read:

51. The release and repatriation of all prisoners of war held in the custody of each side at the time this armistice agreement becomes effective shall be effected in conformity with the following provisions agreed upon by both sides prior to the signing of this armistice agreement.

(a) Within sixty (60) days after this armistice agreement becomes effective each side shall, without offering

any hindrance, directly repatriate and hand over in groups all those prisoners of war in its custody who insist on repatriation to the side to which they belonged at the time of capture. Repatriation shall be accomplished in accordance with the related provisions of this article. In order to expedite the repatriation process of such personnel, each side shall, prior to the signing of the armistice agreement, exchange the total numbers, by nationalities, of personnel to be directly repatriated. Each group of prisoners of war delivered to the other side shall be accompanied by rosters, prepared by nationality, to include name, rank (if any) and internment or military serial number.

(b) Each side shall release all those remaining prisoners of war, who are not directly repatriated, from its military control and from its custody and hand them over to the Neutral Nations Repatriation Commission for disposition in accordance with the provisions in the annex hereto: "Terms of Reference for Neutral Nations Repatriation Commission."

54. The repatriation of all of the prisoners of war required by sub-paragraph 51 (a) hereof shall be completed within a time limit of sixty (60) days after this armistice agreement becomes effective. Within this time limit each side undertakes to complete the repatriation of the above-mentioned prisoners of war in its custody at the earliest practicable time.

It was therefore the duty of the Communist authorities under the Armistice Agreement to deliver all prisoners of war either to the United Nations Command or to the Neutral Nations Repatriation Commission.

The four jet pilots I have named earlier were neither repatriated nor turned over to the Repatriation Commission. They continue to be held by the Chinese Communist authorities.

The 11 surviving members of the B-29 shot down on January 12, 1953, have not only been detained by the Chinese Communists but, according to a Peiping radio announcement, have been sentenced to prison for long terms by a Chinese Communist military tribunal for offenses alleged to have been committed prior to their capture.

In addition to these 15 American airmen, there are substantial numbers of United Nations Command military personnel from the United States and other countries who have not been repatriated or otherwise accounted for by the Communists in accordance with their international obligations.

These serious violations of the Korean Armistice Agreement are, unfortunately, not isolated instances occurring against a background of general Communist compliance with the armistice

terms. The fact is that these violations are paralleled by serious Communist breaches of the armistice in a number of areas besides that of the treatment of prisoners of war.

The Chinese Communist radio broadcasts have made much of the assertion that the crew of the B-29 came down in Chinese territory rather than in Korea. The most reliable information available to the United Nations Command indicated that Colonel Arnold's B-29 aircraft was attacked and abandoned by its crew over Korean territory. This is what the radar sightings show.

However, the place where the plane or crew members came down is irrelevant. The repatriation provisions of the Armistice Agreement make no distinction on the basis of the place of capture. Those provisions cover all prisoners of war, regardless of the precise locality where they may happen to have been captured.

The crux of the matter is that these 15 individuals, when captured, were members of the United Nations Command engaged in a mission of that Command. That is all that matters.

Trumped-up Espionage Charge

The Chinese Communist allegations of espionage made against the B-29 crew are, of course, false. The crew and the aircraft were on a regular leaflet mission of the United Nations Command in support of the general United Nations military operations being carried on in Korea under the United Nations. The crew were in uniform and carried all the appropriate documents of identity.

These considerations apart, the Chinese Communist position will not hold water. Even if the trumped-up charges against our airmen were true (which they are not), even if our men were guilty of crimes (which they are not), they would still be covered by the Armistice Agreement provision calling for the release of prisoners of war. This is confirmed by a statement of the Communists themselves in the 16th meeting of the Military Armistice Commission held at Panmunjom on August 31, 1953. In that meeting the representative of the Korean People's Army and Chinese People's Volunteers said:

Our side has repeatedly stated that our side will repatriate before the conclusion of the repatriation operation all captured personnel of your side who insist upon repatriation, including those prisoners of war who have committed crimes before or after their capture.

The United Nations Command representative answered:

We will repatriate all prisoners of war exactly in conformity with the provisions of the Armistice Agreement and according to the present schedule. . . .

This construction placed upon the Armistice Agreement by the two sides so soon after the agreement was concluded establishes beyond doubt the import of the obligation undertaken by the parties.

In full compliance with this interpretation of its obligation, the United Nations Command has repatriated 418 captured Communist personnel accused of war crimes (314 Korean and 104 Chinese) together with 36 material witnesses; and in addition 166 accused of postcapture offenses (165 Koreans and 1 Chinese) together with 118 material witnesses. The charges in these cases comprised all kinds of offenses, including murder. All these men desired repatriation and were in fact repatriated by September 9, 1953. This is how the United Nations side complied with its obligation.

The Assembly should now be the judge of the compliance on the part of the Communists with their undertaking. By their own interpretation the Communists considered that the Armistice Agreement imposed an obligation to treat as prisoners of war eligible for repatriation all captured personnel regardless of alleged crimes committed either before or after capture. The Chinese Communist authorities, in continuing to detain some United Nations military personnel and in sentencing 11 of them for alleged crimes, have breached the armistice and ignored their contemporary understanding of it.

Returning briefly to the trumped-up charge of espionage: The Soviet representative on Monday offered, as a sample of the evidence of espionage, Colonel Arnold's alleged statement that his plane was disarmed and had only two guns in the tail. The fact is that Colonel Arnold's aircraft was a routine line B-29 modified for night operations. The modifications include painting the aircraft black, flame suppressors on the engines, removal of some of its armament, and flash dampeners on the remaining guns. In night operations, attacks can only be carried out from the rear, using radar sights, hence the complete armament is neither necessary nor useful.

This, Mr. President, is a sample of the evidence

on which the men were sentenced to long terms in prison.

Let me also recall in this connection that the Soviet representative made the specific statement last Monday that the 11 men we are talking about were in military uniform.

Let us see exactly what he said. I therefore quote a translation made from the official United Nations recording of Mr. Malik speaking in the Russian language. Eleven of these fliers, said Mr. Malik, and I use the precise words, were: "in the uniform of military personnel." The precise Russian words were: "*vuh formyoy voyennosluzhaschikh.*" You can play the record and hear it yourself.

When I called attention on Monday to the fact that it was an insult to human intelligence to say that men of the United States Air Force *in uniform* were engaged in spying in China, the Soviet representative pleaded a mistake in translation.

Now, Mr. President, one of the marvels of the United Nations is the translating service. I have in the past praised the translators for the extraordinary speed and accuracy with which they do their work. In fact, accuracy is not a sufficiently strong word for the way in which these talented interpreters convey the true meaning and spirit of a speaker's thought.

It is, therefore, not surprising to note that in this case there was *no* error in translation, that the Soviet representative *did* say that the 11 aviators were "in the uniform of military personnel," and the phonographic record shows it.

It does not seem to me a very sporting debating tactic to resort to an impugnement of the accuracy of the interpreters, when what really happened was that the speaker himself made a statement, however inadvertently, which knocks his case into a cocked hat. As the French phrase has it: *Ce n'est pas très chic.*

Obviously the Soviet representative *did* say these men wore uniforms. Equally obviously it is inconceivable that members of the United States armed forces, men dressed in the uniform of United States military personnel, would be engaged in espionage in China. This marks the collapse of the Communist case, and trying to shift the blame onto the interpreters is not going to put it together again.

We have now a situation, Mr. President, where almost 18 months have elapsed since the dead-

line set by the Korean Armistice Agreement for the release of captured personnel. In glaring violation of an essential provision of that agreement, the Chinese Communists continue to detain a number of military personnel of the United Nations Command and have sentenced 11 of them to long terms of imprisonment. Action must be taken to bring about their release, and the release of all United Nations personnel entitled to repatriation.

The United States Government, in its capacity as the Unified Command of United Nations forces in Korea, has taken the steps I have described earlier to secure Chinese Communist compliance with the obligations imposed by the armistice. The efforts so far made by the United States Government have been summarily rebuffed. After intensive and extensive consultations with all the other United Nations members whose forces fought in Korea, we have brought this matter to the General Assembly for urgent consideration.

United Nations Responsibility

The United Nations has a clear responsibility here. It stems from its own action to mobilize collective strength in the defense of the Republic of Korea when that country was attacked 4½ years ago. The United Nations determined the facts. It called upon the North Korean attackers to withdraw; it recommended to members of the United Nations that they give every assistance, including that of armed forces, in the defense of Korea. It has found that the Chinese Communists also engaged in aggression. All this was done in the faith that the world organization could act effectively to counter aggression and help put the maintenance of peace on a lasting basis, where always before peace had been broken by some aggressor who thought he could succeed.

For these reasons the United States has come to the United Nations with an urgent appeal for United Nations efforts to secure justice.

President Eisenhower last week expressed the thought that the Chinese Communists' flagrant violation of the Armistice Agreement in imprisoning United Nations military personnel might be a deliberate attempt to goad the United States

into some impulsive action in the hope of dividing us from the other free nations of the world. If so, then it certainly makes a mockery of Communist protestations about peaceful coexistence. Nevertheless, as the President said:

. . . We owe it to ourselves and to the world to explore every possible peaceable means of settling differences before we even think of such a thing as war.

And the hard way is to have the courage to be patient, tirelessly to seek out every single avenue open to us in the hope even finally of leading the other side to a little better understanding of the honesty of our intentions.

It is in this spirit that the United States has joined with the other 15 member nations who sent armed forces to fight in Korea in submitting to the General Assembly the draft resolution contained in document A/L.182. I will read its text. It is short and clear. [See p. 932]

We urge the General Assembly to adopt this resolution by an overwhelming vote. This will make clear the Assembly's view that the continuing detention of prisoners of war by the Chinese Communists is contrary to the Korean Armistice Agreement. It will engage the moral force of the Assembly to bring about the release of prisoners unlawfully held. Finally, it will provide means for seeking the release of captured personnel and for reporting on the progress of efforts at release.

Thousands upon thousands of fighting men from 16 members of the United Nations were thus sent to Korea at the behest of the United Nations to throw back the Communist aggression. At the end of the fighting, clear arrangements were agreed to for the release of captured prisoners. The Armistice Agreement containing these arrangements was noted with approval by the General Assembly on August 28, 1953. Now, the Communist side is openly violating these arrangements and compounding that violation by sentencing 11 of the men it holds unlawfully in order to exploit them in a shameless propaganda show based on trumped-up charges and fabricated evidence.

In these grave circumstances it is proper and necessary for the United Nations to insure that the rights of its fighting men shall be upheld and that the authority and dignity of the United Nations itself shall be preserved.

U. K. Statement on Imprisoned American Personnel

Following is the text of a statement made by Anthony Nutting, United Kingdom Representative to the General Assembly, at the December 8 plenary session of the General Assembly. Mr. Nutting spoke during debate on inscription of the U.S. complaint, following statements by Ambassador Henry Cabot Lodge, Jr., (see p. 935) and Jacob A. Malik, the Soviet Representative.

In reply to a question in the House of Commons last Monday, the British Foreign Secretary, Sir Anthony Eden, used these words to describe the trial and sentence of the 11 American airmen by the People's Government of China:

On behalf of Her Majesty's Government and all civilized nations I deeply deplore this conduct.

After endorsing words which I, Sir, had used publicly to condemn this action when the news first broke upon us, Sir Anthony Eden went on to say that:

These men were airmen in uniform shot down on military operations on behalf of the United Nations during the Korean hostilities. As such, they should have been repatriated on conclusion of the Korean armistice. The Chinese action in holding these men back was a direct violation of the terms of the Korean Armistice Agreement.

It is not allowable to any nation which wishes to act by civilized standards to treat officers, non-commissioned officers, or men in uniform as spies and treat them in the sort of way they have been treated by the Chinese Government.

I therefore rise to support the inscription of this item and to add the voice of the British public to that of all civilized communities in an effort to set aright this great and grievous wrong.

Lest there should be any doubt in the mind of my Soviet colleague about whom I represent here at this tribune, let me make it quite clear to him that in saying this I represent both the Government and the mass of public opinion in Great Britain.

We have heard the representative of the Soviet Union. Seldom can this organization have heard so weak a case. Small wonder that he seeks to

prevent this question's being brought to the bar of world opinion.

The Soviet representative based his case on two grounds in the General Committee, and he has reverted to and repeated one of these grounds in this discussion upon inscription. The first of the two grounds consisted of a repetition of the charge of espionage, and the second, which he used in the General Committee, consisted of a plea that the Chinese People's Government is not bound by the terms of the Korean Armistice Agreement. Both these attacks misfired, and our case for inscription remains both unassailed and unassailable.

Let me examine for one moment the Soviet charge that these 11 men were guilty of espionage. By what fact has this charge been supported? The Soviet representative has communicated to us extracts from the *procès-verbal* of the trial of these men. He has alleged that they confessed. As Mr. Malik well knows, that is the remarkable and sinister feature of Communist trials: the prisoner always confesses; the verdict is always "Guilty." No doubt this is more efficient; no doubt it is easier to invent the facts than to ascertain them; no doubt it is less embarrassing to have a prisoner confess his guilt than to have him plead and prove his innocence. But is it justice? Is it justice as we, the United Nations, mean justice—as we have subscribed to it in our charter?

It is clear from what Mr. Malik has told us that no attempt was made whatever to ascertain the facts about the mission upon which these men were engaged when captured. Still less was any attempt made to weigh these facts in the balance. Instead, the Chinese authorities appear to have relied exclusively upon their own version of the case.

The facts about the mission on which these men were engaged and on which they were shot down over North Korea—not over China—have been set out by the U.S. representative, Mr. Lodge. In addition, there is the admitted fact that these men

were in uniform. Are we asked to believe that 11 American airmen, packed into one single airplane and wearing their national uniform, were about to descend upon Chinese territory to conduct espionage? The idea is so fantastic that it is hard to understand how grown men can advance it as a serious charge. Do the Chinese authorities, does the Soviet representative, really believe that an American or a Britisher or any other serviceman of the United Nations Command would elect to go spying in China in the uniform of his country? Is this the garb in which he would choose to mix with the local population? Is this the sort of suiting in which he would best hope to slip unobtrusively into a Chinese military headquarters and there steal the latest military movement orders? Is this the sort of clothing in which he could most easily gain the confidence of the Chinese artisan engaged upon the production of military equipment?

Such thoughts could only issue from a mind confused and haunted by spy mania. I say, therefore, that, if anything were needed to prove to the civilized world the innocence of these 11 airmen, it is the tortuous confusion and the glib and hollow absurdity of the case brought forward by the Soviet Union.

As against this, what is the case for our considering this item? The facts are not in dispute. Article III of the Korean Armistice Agreement laid it down that by 25 September 1953 all prisoners of war insisting on repatriation should be handed over for repatriation. I repeat—by 25 September 1953. It is now December 1954. Yet, on 24 November 1954 the Chinese People's Government announced that 11 airmen who had been kept in captivity since January 1953 had been tried and sentenced for espionage.

The terms of the armistice are clear and unequivocal: all prisoners insisting upon repatriation should be handed over. So, equally, are the terms of the Chinese announcement that 11 prisoners of war have been detained and sentenced to terms of imprisonment. There can therefore be no particle of doubt that this action is a violation of the Armistice Agreement.

The Communists have argued that the provisions of the Armistice Agreement relating to the repatriation of prisoners do not extend, and cannot be held to extend, to prisoners who have, according to the Communists' lights, committed

such crimes as espionage. Well, how then do they explain the statement to which Mr. Lodge referred? How then do they explain the statements made at the 16th meeting of the Military Armistice Commission at Panmunjom on 31 August 1953, when the representatives of the Korean People's Army and the Chinese People's Volunteers said—and I would repeat it once again to the Soviet Union representative, for he failed to deal with this point:

Our side has repeatedly stated that our side will repatriate, before the conclusion of the repatriation operation, all captured personnel of your side who insist upon repatriation, including those prisoners of war who committed crimes before or after their capture.

I repeat:

... including those prisoners of war who committed crimes before or after their capture.

I do not for one moment accept that the terms of the Armistice Agreement could be interpreted in any way to exclude the right of repatriation for any category of prisoner who desired to be repatriated. Nor do I accept for one moment that any criminal charge lies against these airmen. But even if the Communists could substantiate their charges, and even if they could so twist the meaning of plain words, how can they twist the statement made in the Military Armistice Commission, which specifically and in terms included those prisoners of war against whom charges might lie of having committed crimes before or after their capture?

It was no doubt because the Soviet Union realized how unanswerable was the case against them that they have made out, and not so far withdrawn, the additional argument that the Chinese People's Government was not party to the armistice and therefore could not be accused of violating it.

I had really thought that the fiction that the Chinese People's Volunteers were entirely independent of the Chinese People's Government had been finally abandoned after the signature of the Armistice Agreement. Throughout the Korean war the Chinese People's Government sought to maintain this fiction. But, when over 75 percent of the so-called Chinese volunteers who were captured by the United Nations Command refused under any set of circumstances whatever to return to China, I thought the Communist world had decided to drop this unconvincing fable.

But I do not have to rely upon my opinion to find the answer to this prevarication about who signed the armistice and in whose name. I rely on a far greater authority than I could ever hope to be in regard to the policy and point of view of the Communist world. I rely upon no less an authority than that distinguished spokesman of the Soviet Union, the late Mr. Vyshinsky. At the 430th meeting of the General Assembly, on 28 August 1953, Mr. Vyshinsky used these words:

It is clear from the statement made by Mr. Chou En-lai, Minister of Foreign Affairs of the People's Government of China, on behalf of his Government, and published on 25 August 1953, that the representative of the People's Republic of China who signed the Armistice Agreement also regards their interpretation as erroneous.¹

I repeat:

... the representative of the People's Republic of China who signed the Armistice Agreement.

Thus, it is not a question of what I think or what Mr. Lodge thinks or what any other representative of the 16 powers may think. Mr. Malik's case in the General Committee the other day has been shattered, and shattered by his own predecessor's admission that the Armistice Agreement was signed by the representative of the People's Republic of China. Thus, nothing remains of the case the Soviet Union has brought against inscription save the ruins of meaningless and irrelevant verbiage. It must be obvious that all fairminded men can see this case for what it is: a miserable product of absurdity and hypocrisy.

I should now like to refer briefly to a suggestion which has been made that, before this matter was brought to the United Nations, the machinery of the Military Armistice Commission should have been more thoroughly employed. I do not think that the facts bear out the suggestion that the Military Armistice Commission has been bypassed in any way. After the Armistice Agreement was signed, the United Nations Command asked in the Military Armistice Commission for details of all unrepatriated United Nations Command personnel who it was believed were being held by the Communists. Included in this demand were the personnel of the aircraft in which the 11 airmen in question were flying. No less than five separate demands for information were made between 9 December 1953 and 17 August 1954. But no

information whatsoever was given to the Armistice Commission about the members of that air crew.

It is also, of course, a known fact that approaches have been made through the British Chargé d'Affaires at Peking and to the Secretary-General of the delegation of the People's Government of China at the Geneva Conference. Numerous other approaches have been made by the United Nations Command, but these have all met with a rebuff. The British Chargé d'Affaires at Peking presented, on 14 June last, lists of Commonwealth and United Nations Command servicemen missing after operations during the Korean hostilities. These lists included the names of the 11 American airmen. This approach also requested information about any men found at any time in territory under Chinese or North Korean control, whether or not they were included in the lists. In October the Chinese replied in the same negative vein in which they had earlier replied to the United Nations Command.

In the face of the history I have given of these efforts to get information about these men, I do not think that anyone can say that we have rushed hastily to the United Nations without seeking every other means open to us of ascertaining the fate of these missing men and securing their early release.

I would put this question to the Assembly—and it is relevant indeed to the inscription of this item: If the Armistice Commission failed to obtain satisfaction about men detained as prisoners of war, as it did, how could it do any better about men now imprisoned as common criminals?

What we are seeking to do here—as we have every right to seek it, to come before this Assembly and seek it—is to collect the voices and to secure the endeavors of this Assembly of world opinion in support of justice and fair treatment for innocent men.

I would only add the following remarks: What are we trying to do in this, the United Nations? The world today is deeply divided. But over the past few months we have seen—and this has been reflected in some of the debates here—a perceptible reduction in international tension. We, for our part, have striven and will go on striving to restore and rebuild a relationship of confidence between East and West. My country has made its contribution in the past years, and it will continue to contribute to this endeavor. But confidence is

¹ U.N. doc. A/PV. 430, paragraph 114.

a two-sided matter. It requires an effort by both parties. It is essentially a fragile thing. It can easily be shaken. And, if we are to have the confidence to make new agreements, new settlements of issues which are still outstanding today, we must proceed at least from the assurance that agreements previously arrived at will not be violated and cast aside.

Meanwhile, we are confronted with a matter which affects and touches every nation represented in this Assembly. This is a United Nations issue.

These airmen are not just members of the United States Air Force: they are the soldiers of the world organization, sent to fight by the will and at the call of the United Nations. Although they cannot hear us, we can and must speak for them. Their lives, their freedom, their future, their safety are our responsibility, the responsibility of each and every one of us present here today. They went forth to uphold our cause. We must uphold theirs.

United Nations Approves Fifteen-Power Report on Korea

On December 11 the General Assembly adopted a 15-power draft resolution approving the report on the Korean Political Conference (Geneva, April 26-June 15, 1954) submitted to the Secretary-General on November 11 (U.N. doc. A/2786) by "the Members of the United Nations who participated in the United Nations action in Korea and attended the Geneva Conference." The report affirmed the right of the United Nations to take collective action to repel aggression and expressed the intent of the 15 powers "to continue to support the objectives of the United Nations in Korea, in particular that of achieving a unified, independent, and democratic Korea by peaceful means." Following are four statements made in Committee I (Political and Security) by James J. Wadsworth and Sen. H. Alexander Smith, U.S. Representatives to the General Assembly.

STATEMENTS BY AMBASSADOR WADSWORTH¹

Question of South Korean and Communist Representation

U.S. delegation press release 2051 dated December 1

Taking these two proposals in reverse, I wish to support most strongly the proposal of the distinguished representative of Thailand to invite a representative of the Republic of Korea to par-

ticipate without the right of vote in the debate of this committee on the Korean question.² The Republic of Korea is the innocent victim of the aggression which called forth the collective action of the United Nations, and it is the party primarily concerned with the question which we are now discussing. We must not forget that what is ultimately at issue here is the fate of the Korean people, who fought so bravely with the United Nations forces. It is in our view just and proper that a duly appointed representative of the Korean people should be given the opportunity to state their views before this body. The Republic of Korea has participated in our discussion in the past, and it would be unthinkable not to give it a voice in the present debate.

Now, Mr. Chairman, let me at this time also express in the strongest possible terms the opposition of the United States to the proposal of the representative of the Soviet Union to invite to this table representatives of the Communist regimes which have been found to be guilty of aggression in Korea.³ These regimes have no right to participate in this discussion. They have done nothing to purge themselves of the aggression. They have, in fact, continued to demonstrate their

² U.N. doc. A/C.1/L.113, adopted by the Committee on Dec. 1 by a vote of 43-5-10.

³ U.N. doc. A/C.1/L.112, rejected on Dec. 1 by a vote of 9-39-10.

¹ Made in Committee I on Dec. 1.

aggressive intent since they continue to defy the accepted norms of international behavior and the recommendations of the United Nations. There is a vast difference, Mr. Chairman, between sitting across the table in a conference between belligerents and attempting to work out something and inviting certain of these belligerents to this table in order to participate in our deliberations.

I do not believe I need remind the members of this committee at any great length that the Communist regime of China continues to hold hundreds of United Nations captured personnel in violation of the armistice agreement. All of these individuals were captured while in the service of the United Nations Command and in the course of military operations conducted under the authority of the United Nations to repel the Communist aggressors in Korea. I will also not dwell at any length upon the news recently in the papers as to the 13 Americans who have received prison sentences under the trumped-up charge of espionage.

But I do wish to say and emphasize most strongly the view of my Government that these Communist regimes have no right to participate in the deliberations of this committee on this item.

Korean Political Conference

U.S. delegation press release 2050 dated December 1

The United Nations today faces a new threat. It is more subtle than overt aggression, but it is just as dangerous. It must be met with equal firmness. It goes to the heart of all of our work here. Because the United Nations had acted resolutely to hurl back their aggression, the Communist delegations at Geneva challenged the authority of the United Nations to take collective action against aggression. The fate of the United Nations and ultimately the security of all of us depends upon whether we meet this challenge successfully.

More than 4 years ago—on June 27, 1950—the Security Council determined that the armed attack upon the Republic of Korea by forces from North Korea constituted a breach of the peace and recommended that the members of the United Nations furnish assistance to the Republic of Korea in order to repel the armed attack and to restore international peace and security in the area.

In taking this action the Security Council recalled the General Assembly resolution of October 21, 1949, which declared that the Government of

Resolution on Korean Question¹

U.N. doc. A/C.1/L.119

The General Assembly,

Having noted the report of the UNCUREK (A/2711) signed at Seoul, Korea on 17 August 1954,

Having received the report (A/2786) on the Korean Political Conference held in Geneva from 26 April to 15 June 1954, in pursuance of General Assembly resolution 711 (VII) of 28 August 1953,

Noting that the negotiations in Geneva have not resulted in agreement on a final settlement of the Korean question in accordance with the United Nations objective in Korea,

Recognizing that this objective should be achieved by peaceful methods and constructive efforts on the part of the governments concerned,

Noting that article 62 of the Armistice Agreement of 27 July 1953 provides that the Agreement "shall remain in effect until expressly superseded either by mutually acceptable amendments and additions or by provision in an appropriate agreement for a peaceful settlement at a political level between both sides",

1. *Approves* the report on the Korean Political Conference (A/2786);

2. *Reaffirms* that the objectives of the United Nations remain the achievement by peaceful means of a unified, independent and democratic Korea under a representative form of government and the full restoration of international peace and security in the area;

3. *Expresses* the hope that it will soon prove possible to make progress toward these objectives;

4. *Requests* the Secretary-General to place this item on the provisional agenda of its tenth regular session.

¹ Adopted by Committee I on Dec. 8 by a vote of 50-5 (Soviet bloc)-4 (Burma, India, Saudi Arabia, Syria) and by the General Assembly on Dec. 11, 50-5-4 (Burma, India, Indonesia, Syria).

the Republic of Korea is the lawfully established government of the great majority of the people of Korea and that it is the only government in Korea based on elections which were a valid expression of the free will of the electorate.

On February 1, 1951, the General Assembly found that the Communist Chinese regime, by giving direct aid and assistance to those who were already committing aggression in Korea and by engaging in hostilities against United Nations forces there, had itself engaged in aggression in Korea.

Thus began the implementation of the principle

of collective security which is set forth in the first article of the charter of the United Nations. It was the first time in history that an international organization had marshaled force to repel an act of aggression.

The collective action succeeded in repelling the aggression, and 1½ years ago the armistice agreement was signed.⁴ Not only had the Republic of Korea been saved, but all nations, large and small, had been made more secure, because the collective action had strengthened the United Nations by demonstrating its determination to carry out the responsibilities entrusted to it by the charter.

Although the armistice agreement represented a victory for the principle of collective security, Korea continued to be a nation divided, its northern half still held in the ruthless grasp of the very forces which perpetrated the aggression. In these circumstances, the United Nations has a continuing responsibility in Korea—a responsibility which it cannot ignore or pass on to others—a responsibility to restore international peace and security in the area and to achieve its objective of a united, independent, and democratic Korea.

The effort to achieve the unification of Korea on a just and honorable basis and by peaceful means has been pursued with energy and determination by those nations which took part in the collective action at the call of the United Nations. These nations have had the repeated support and encouragement of the United Nations. That effort has been frustrated by the intransigent position of the Communist powers who exercise control over North Korea. These Communist powers, who now speak of relaxing tensions and achieving peaceful solutions of international questions, have belied their pretensions by obstructing the unification of Korea.

PREPARATIONS FOR THE KOREAN POLITICAL CONFERENCE

Paragraph 60 of the armistice agreement contains a recommendation by the military commanders to the governments of the countries concerned on both sides that a political conference be held within 3 months to negotiate on the withdrawal of all foreign forces from Korea and the peaceful settlement of the Korean question. On August 28, 1953, this Assembly adopted a resolution welcom-

⁴ For text, see BULLETIN of Aug. 3, 1953, p. 132.

ing the holding of such a conference and initiating certain steps to convene it.⁵

I shall not take the time of this committee to recall the delaying tactics adopted by the Communist side before they would even agree to discuss the preparations for the conference. Nor do I intend to review the rigid position taken by the Communist negotiators at Panmunjom when Ambassador [Arthur H.] Dean sought with utmost patience to find a reasonable basis for convening the political conference.

The impasse over the convening of the political conference on Korea finally ended at Berlin on February 18 of this year, when Soviet Foreign Minister Molotov agreed with the Foreign Ministers of France and the United Kingdom and Secretary Dulles to sponsor a Korean Political Conference to meet at Geneva, Switzerland, on April 26.

THE KOREAN POLITICAL CONFERENCE

Thus the Korean Political Conference recommended in the armistice agreement was finally convened.

The Communist attitude afforded little ground for optimism. However, the Republic of Korea and 15 of the Allied participants who had contributed troops at the call of the United Nations attempted patiently and sincerely to secure agreement on the unification of Korea on the basis of the principles set forth in the resolutions of the General Assembly. These 16 nations made a number of proposals and suggestions consistent with these principles, which were reaffirmed in the following words in the Declaration by the Sixteen on the final day of the Conference:⁶

1. The United Nations, under its Charter, is fully and rightfully empowered to take collective action to repel aggression, to restore peace and security, and to extend its good offices to seeking a peaceful settlement in Korea.

2. In order to establish a unified, independent and democratic Korea, genuinely free elections should be held under United Nations supervision, for representatives in the national assembly, in which representation shall be in direct proportion to the indigenous population in Korea.

These principles, Mr. Chairman, state precisely and without exaggeration the rights and powers of the United Nations in this case. We therefore be-

⁵ *Ibid.*, Sept. 14, 1953, p. 366.

⁶ *Ibid.*, June 28, 1954, p. 973.

lieve that they constitute the basis for seeking a settlement of the Korean question.

The failure of the Korean Political Conference to find an agreed solution to the Korean question resulted directly from the refusal of the Communist side to accept these principles as a basis for a settlement. The Communist side not only rejected these principles outright, but they also attacked the very foundations of the United Nations. Mr. Molotov, Mr. Nam Il, and Mr. Chou En-lai (who was there as Foreign Minister of the Chinese Communist regime and presumably not speaking merely for the so-called Chinese People's Volunteers) repeatedly asserted that the United Nations was itself a belligerent in the Korean war and had lost its competence and moral authority to play a part in the settlement of the Korean question. Thus at Geneva they used political means to press their war against the United Nations.

For its part, the United States believes that Mr. Molotov, Mr. Chou En-lai, and Mr. Nam Il were wrong—completely and utterly wrong. We hold that the United Nations has both the competence and the moral authority to deal with this question. The United States therefore believes that it is essential to continue to adhere firmly to both of the principles which I have quoted above from the Declaration by the Sixteen. The first of these, which asserts the authority of the United Nations, is necessary in order to uphold the validity of the charter and the legality of the collective action undertaken to repel the Communist aggression. This principle was reaffirmed by the General Assembly in its resolution of August 28, 1953. The principle of collective security embodied in article 1 of the charter would have been undermined had the Allied participants accepted the repudiation of the authority and competence of the United Nations in Korea.

The United States is equally convinced of the necessity and the validity of the second principle. Genuinely free elections are essential to the unification of Korea. They are the only means by which the Korean people can be given a voice in deciding their own future without fear or coercion. To insure that such elections would be impartial and effective, and to carry out the recommendations of the General Assembly, we take the position that they should be conducted under the supervision of the United Nations.

I cannot overemphasize the importance of these issues we have been discussing. The United Nations has a unique interest in Korea. The Republic of Korea was recognized by the United Nations. The aggression in June 1950 was condemned by the United Nations. The United Nations called for forces to go to Korea to repel the aggression. The Communist Chinese were found by the United Nations to be aggressors. Soldiers from 16 nations fought and died in Korea because the United Nations engaged in collective action against aggression. Their sacrifices will have been in vain if we now permit the authority and competence of the United Nations to be called in question.

PROPOSALS OF THE ALLIED DELEGATIONS AT THE CONFERENCE

At Geneva the Allied delegations put forward several proposals in conformity with these principles. On April 27, Dr. Pyun, then Foreign Minister of the Republic of Korea, presented a proposal based on the October 7, 1950, resolution of the General Assembly.⁷ That resolution called for the taking of all constituent acts, including the holding of elections under the auspices of the United Nations, for the establishment of a unified, independent, and democratic government in the sovereign State of Korea. Dr. Pyun proposed that elections under United Nations supervision should be held in North Korea, pointing out that elections had taken place recently in South Korea under the supervision of the United Nations Commission for the Unification and Rehabilitation of Korea (UNCURK). He asked that the Republic of Korea not be put on the same plane as the North Korean regime, which has no legal basis and has demonstrated its aggressive character.

Speaking of this proposal, Secretary Dulles pointed out on April 28 that a workable plan for unifying Korea was already at hand in the form of the United Nations General Assembly resolution of October 7, 1950. He urged that the interrupted work of UNCURK be resumed and that the Chinese Communists withdraw their forces from North Korea so that the United Nations could "complete its task in an atmosphere free of menace." This proposal was rejected by the Communist delegations.

In a further effort to achieve a peaceful settle-

⁷ *Ibid.*, Oct. 23, 1950, p. 648.

ment of the Korean problem, Dr. Pyun on May 22 presented a complete proposal which provided for elections both in North Korea and in the Republic of Korea. In summary this proposal called for:

1. The holding of free elections in North Korea, where such elections have not hitherto been possible, and in South Korea, in accordance with the constitutional processes of the Republic of Korea, these elections to be held under United Nations supervision within 6 months, on the basis of a secret ballot and universal adult suffrage;

2. A census under United Nations supervision, with a view to apportioning the number of representatives in the national legislature in proportion to the population in the electoral districts in all parts of Korea;

3. Complete freedom of movement for United Nations supervisory personnel and freedom of movement and of speech for candidates for election;

4. Maintenance of the constitution of the Republic of Korea, subject to amendment by the all-Korean legislature to be convened in Seoul immediately after the elections;

5. Completion of the withdrawal of Chinese Communist troops 1 month in advance of the election date;

6. Commencement of the withdrawal of United Nations forces prior to the elections, the withdrawal to be completed when the unified government had achieved control throughout Korea as certified by the United Nations; and

7. A guaranty of the territorial integrity and independence of a unified Korea by the United Nations.

The United States believed then, as it does now, that this proposal would have permitted the unification of Korea on a just and honorable basis and in complete conformity with the principles laid down by this Assembly. Under this proposal, the Korean people would have had the opportunity to express their will in conditions of freedom, with adequate and impartial safeguards against undemocratic electoral practices.

PROPOSALS OF THE COMMUNIST DELEGATIONS

By their flat rejection of this proposal, the Communist rulers of North Korea revealed once more their fear of honest elections. They also revealed their intention of maintaining an illegal

grip on part of the Korean nation in preparation for a new attempt to bring all of Korea under Communist control.

This is the unmistakable objective of the counterproposals submitted by the Communist side. In essence, the Communist proposals provided that:

1. Elections throughout Korea must be prepared and conducted by an "all-Korean Commission" in which North Korea and the Republic of Korea would have equal representation and which could function only by agreement between the two;

2. International supervision of the elections must be limited to a new "Neutral Nations Supervisory Commission" composed of an equal number of Communist and non-Communist nations, which would function only by agreement between the two components; and

3. All non-Korean forces must be withdrawn from Korea prior to the holding of elections, no distinction being made between the aggressor forces and those of the United Nations, thus allowing the Chinese Communist armies to remain within easy striking distance whereas United Nations forces would be dispersed to all parts of the world.

The Communist proposals failed to provide any guaranty that the elections would be carried out in freedom. In fact, they gave no assurance that the elections would ever take place, since the North Koreans were given a built-in veto with which to prevent agreement except on their terms. The so-called Neutral Nations Supervisory Commission would have come into operation only if the "all-Korean Commission" had first reached agreement on the conduct of the elections. Even then the provision for unanimous agreement would have enabled the Communist members to frustrate the Commission's operations and prevent any effective supervision of the elections.

To the very end, the Communist delegations persisted in their repudiation of the authority of the United Nations and their insistence on a veto over the elections. The basis for their position on the elections is clear. They knew then, as they know now, that genuinely free elections in Korea would free North Korea from Communist domination. There was never any indication that they were prepared to alter the status quo in Korea, except on a basis which would have assured them

by political means the conquest of Korea which they had failed to gain by military aggression.

In the closing days of the Conference, the Communist delegations sought to turn the failure to reach agreement into a victory for Communist propaganda. Hastily prepared "proposals" were offered in an effort to blur the vital issues at stake. Mr. Nam Il blandly proposed, in effect, that the idea of impartially supervised elections be discarded; that the Republic of Korea work out measures for economic and cultural relations with the North Korean regime—this only after the withdrawal of foreign forces and the reduction of the forces of the Republic of Korea to a level equal to that of North Korea. With the obvious intent of confusing the debate at this Assembly, the North Korean regime recently made a similar proposal to the Republic of Korea. Naturally, the Republic of Korea has refused to accept this proffered Trojan horse.

Mr. Molotov's proposal on the final day at Geneva was different, but equally deceptive in intent. He suggested that both sides agree on a set of general objectives. But he left to what he called "further examination" all of the basic issues to which the Conference had failed to find solutions. He did not abandon in the slightest degree the Communist position which had made it impossible to solve these issues at the Conference. As the Allied delegations have indicated in their report, these proposals could only have served to conceal the serious issues of principle which remained unresolved and mislead the peoples of the world into believing that there was agreement when, in truth, there was none. Accordingly, in the Declaration by the Sixteen, issued on the final day of the Conference, the Allied delegations regretfully recorded their conclusion that, so long as the Communist side rejects the two fundamental principles which we consider essential, further consideration of the Korean question by the Conference would serve no useful purpose.

PROSPECTS FOR KOREAN UNIFICATION

Speaking for the United States, Mr. Walter Bedell Smith rejected a final propaganda gesture by the Chinese Communist delegate, who called for a resumption of the Korean Political Conference at some future date. Mr. Smith said,

This is not a permanent body—set up outside of or beyond the control of the United Nations. It was given

a specific mission which it has not been able to achieve as yet. . . . It was my impression that our Declaration had made it very clear that the Communist side could resume negotiations at any time under favorable conditions by simply accepting the two fundamental principles which we have declared . . . and without which negotiations would be fruitless.

After further careful study of the situation, the United States continues to maintain this position. The Korean Political Conference came to an end on June 15, 1954. It ended in failure for the reasons which I have summarized. The United States is not prepared to undertake new negotiations so long as the Communists reject the two fundamental principles which we consider indispensable.

To undertake further negotiations in the absence of a change in the Communist position is to court a new failure. The result of a new failure would be a damaging blow to the prestige and authority of the United Nations and to the morale of the Korean people.

Mr. Chairman, after the long debate of the past 6 years in this body, it is all too easy to forget that we are discussing the fate of nearly 30 million Koreans who live in the shadow of Communist tyranny and who claim only the right to shape their own destiny in freedom. Those who had the opportunity of a free choice chose to defend their freedom with great bravery and immense sacrifice. If their future is to be cast repeatedly on the conference table solely for the purpose of demonstrating our willingness to negotiate, even when no constructive result is in prospect, it would not be surprising if the people of Korea should lose faith in us and in the very process of negotiation.

I am certain that the Korean people will agree in the future, as they have in the past, to participate with us in negotiations for a just and honorable settlement. But they deserve some assurance that constructive results may be anticipated and that they will not merely be subjected to unending pressure to yield on matters affecting their very existence. There cannot be a settlement of the Korean question which is not responsive to the freely expressed will of the Korean people.

Nor should there be a settlement of the Korean question which is unworthy of those who fought and died to defend the Republic of Korea and the United Nations. I can speak only for the hundreds of thousands of young men who went from

the United States to fight in Korea. Of these, more than 130,000 were casualties, 34,000 of them dead or missing in action. Fifteen other members of the United Nations and above all the Republic of Korea can speak of similar losses. We must not repudiate these sacrifices by abandoning the principles which inspired them.

Until the Communists cease their attacks upon these principles, no constructive results can be expected from negotiations on the Korean question. If we have learned anything from our numerous and protracted negotiations with them, it is the importance of careful preparation and careful timing to assure that negotiations are conducted under favorable conditions. At this time, when Communist China has just furnished fresh evidence of its brutal and illegal treatment of captured personnel of the United Nations Command in violation of the armistice agreement, the members of this committee will surely agree that conditions for negotiation are not favorable.

But we should not despair. We should not lose faith that our objectives will be achieved. We must be firm and constant in the principles we know to be right. We must hold fast to the only course which will bring us to the United Nations goal of a unified, independent, and democratic Korea. We must not fail the people of Korea—or ourselves.

STATEMENTS BY SENATOR SMITH⁸

Fifteen-Power Draft Resolution

U.S. delegation press release 2058 dated December 3

I wish to express my regret at being absent in the opening of the discussions because as a member of the United States Senate during this last week we were in our closing session and I have been compelled to be there until late last night. However, I was here this morning and early enjoyed the fine presentation of the issues involved in this matter that is before us.

I have a brief statement to make at this time. The United States delegation was interested to hear the suggestion made this morning by the representative of Sweden [Rolf Sohlman] that an effort be made to merge the Indian draft resolu-

tion⁹ with the draft resolution submitted by the 15 powers.¹⁰ This suggestion was later endorsed by the representative of Peru [Victor Andre Belaunde]. We sincerely appreciate the keen interest which these and other delegations have demonstrated in trying to facilitate a just and honorable settlement of the Korean question. In view of the suggestion put forward by the representatives of Sweden and Peru, I should like to make a brief observation of the resolution presented by the group of 15 nations and the draft presented by the representative of India.

When the committee began its consideration of this item, the group of 15 nations agreed unanimously to sponsor the resolution which is now before the committee. The United States delegation believed, in common with others of the group of 15, that they owed it to this body and to themselves to put forward a resolution which embodied their views on the Korean question in the clearest possible manner, although of course open to suggestions that may be made by this whole committee. Having, together with the Republic of Korea and the Union of South Africa, taken part together in the resistance against aggression at the call of the United Nations, and having participated in the Geneva Conference, the group of 15 believed that the General Assembly should have the views which they have developed as the result of their common experience.

It is true that the two resolutions in question are similar in many respects. However, I should like to call the committee's attention to the most significant difference between the resolution sponsored by the 15 nations and the Indian draft resolution. The Indian draft resolution merely states that the General Assembly has "received" the report on the Korean Political Conference. The resolution presented by the 15 nations calls upon the General Assembly to "approve" this report. There are lesser points of difference which I will not discuss at this time.

The 15 members of the United Nations who participated in the Geneva Conference pursuant to the recommendation of the General Assembly have formally reported upon their participation in that Conference. I hope sincerely that the General Assembly will agree that it can do no less than to approve the report which the 15 members have submitted.

⁸ Made in Committee I on Dec. 3 and 8.

⁹ U.N. doc. A/C.1/L.118.

¹⁰ U.N. doc. A/C.1/L.119.

In conclusion, may I say that I am sure that the Indian representative [V. K. Krishna Menon] and I, and indeed all of us, have the same objective in mind. We want to see a unified, independent, and democratic Korea. Unfortunately, there is one rather fundamental difference between us, as I have explained, but I am certain that this will not in any way change the fact that the 15 nations and India all want to achieve a just and honorable settlement of the Korean question.

Summary of U. S. Position

U.S. delegation press release 2070 dated December 8

At this stage in our discussion of the Korean question it may be useful to look back at the ground we have covered. Then we may have a better basis for voting on the resolutions before us.

A great many things have been said here by the Soviet representative and those who support him which are nothing more than echoes of the falsehoods and distortions of the past. We do not intend to take up the time of this committee to reply to them. As a matter of fact, the committee has heard a number of excellent and penetrating statements which have revealed that there is a widespread understanding of the extent to which these distortions have become part of the Communist dogma on Korea. But we believe that the essentials of what has been said can be summarized in a few general conclusions:

1. The Geneva Conference did not solve the Korean question. We can all agree on that.
2. The Geneva Conference failed because the Communists refused to accept genuinely free elections in Korea and rejected the authority of the United Nations.
3. The Communist position has not changed. We mean by that, the Communists have still given no evidence that they would be willing to accept either the authority of the United Nations or genuinely free elections in Korea.
4. The U. S. S. R. proposes another conference on Korea at an early date and on precisely the same basis as the recent Conference which failed.
5. Because the Communist position is unchanged, such a conference would be futile.

We believe that these conclusions give us clear guidance as to the way in which this committee should dispose of the resolutions before it. The

resolution introduced by the Soviet Union suggests further negotiations before the Communists give any indication of any kind that they are willing to negotiate on a reasonable basis. Clearly this is a device. The Soviet delegate is trying to make it appear that the Soviets have an interest in a reasonable settlement. Actually, we feel that they do not. They are still insisting upon a settlement which would make Korea a Communist satellite. Therefore we believe that this device should be rejected.

All of these efforts to offer the shadow of false hope instead of the substance of reality should be put firmly aside. The U.S.S.R. proposal for a new conference on Korea is one of these efforts, and we trust that it will be rejected.¹¹

The second resolution introduced by the representative of the Soviet Union proposes the abolition of UNCURK.¹² This resolution is a part of the determined Communist rejection of the authority and competence of the United Nations. They claim that it is a biased committee, that it can do no useful work, that it is too favorable to the Republic of Korea. Yet they quote from the UNCURK report,¹³ quoting only those positions unfavorable to the Republic of Korea. We should all read the entire report of UNCURK. It stands as a vivid proof of the falsity of the Communist contentions. UNCURK has done effective work. It is both the symbol and the instrument of the United Nations in Korea. It should not be abolished. Quite the contrary. Unless the Communists fear a clear-eyed and detailed examination of the real conditions in North Korea, let them give UNCURK the same access to North Korea that it has to South Korea. Then and only then will this committee really have an adequate basis for judging what is going on in North Korea.

We have discussed the two resolutions proposed by the Soviet Union. There are two other resolutions before this committee—the one introduced by the 15 nations who participated for the United Nations in the Geneva Conference—and in that resolution the U.S. is a party—and the one introduced by India.

We all appreciate the efforts which the distinguished representative of India is making to pro-

¹¹ U.N. doc. A/C.1/L. 116, not brought to a vote.

¹² U.N. doc. A/C.1/L. 117, rejected on Dec. 8 by a vote of 5-50-1 (Syria).

¹³ U.N. doc. A/2711.

mote a peaceful settlement of the Korean question. I have talked with him personally and am absolutely convinced of his sincerity in trying to bring about a solution of the problem. His statement to this committee yesterday morning made it clear that he has in view the same basic objectives as do those of us who participated in the Korean action in response to the call of the United Nations.

However, there are differences of approach which are reflected in these two resolutions. On Friday, we pointed out the most important difference. This is the fact that the Indian resolution only notes that the report to the United Nations on the Geneva Conference has been received, whereas the resolution of which the United States is a cosponsor proposes that the report be approved. Close examination shows that the 15-power resolution also emphasizes more clearly than the Indian resolution the role of the United Nations in Korea. These differences are substantive and not merely differences in language.

The 15-power resolution was drafted and submitted to this committee because its sponsors believe it is essential to reassert in a clear-cut manner the overall responsibility and the objectives of the United Nations in this matter. This has been the issue throughout the long discussion on Korea in this Assembly. It was the issue at Geneva. It remains the issue upon which the unification of Korea will turn.

I regret to say that the Indian resolution in my judgment subordinates this basic issue. Its adoption would be taken as a signal that we are prepared to consider the unification of Korea on some other basis. That is, we are sure, not the intention of the representative of India, but that is the effect of his resolution. Had the distinguished representative of India found it possible to agree with the sponsors on the need to reassert these principles in a clear-cut manner, there would have been no need for the 15 powers to submit any resolution at all.

Since the issue has emerged in this way, however, the United States cannot vote for the Indian draft resolution. That is why we support the motion of the representative of Turkey to give priority to the 15-power proposal, and that is why

we hope that the 15-power resolution will receive the overwhelming support of this committee.

In conclusion, Mr. Chairman—lest there be any misunderstanding—we should like to reemphasize a point which Ambassador Wadsworth said in opening the discussion of this question. President Eisenhower has stressed the same point in more general terms in some of his recent public statements.

For our part, the United States is not closing the door to further discussions with the Communists for the peaceful unification of Korea. Dr. Pyun in his statement to this committee gave clear indication that the Republic of Korea feels the same way. The door is not being closed. However, the United States believes that there is no point in further discussions until the Communists have given evidence that they mean to negotiate on the sound basis of moral principles and United Nations responsibility. Nothing can be gained if they intend to repeat the same things they said at Geneva and have said here. We mean business. When they show that they do, there will be some point in further negotiations.

Letters of Credence

Rumania

The newly appointed Minister of the Rumanian People's Republic, Anton Moisescu, presented his credentials to the President on December 7. For the text of the Minister's remarks and the text of the President's reply, see Department of State press release 699.

Greece

The newly appointed Ambassador of Greece, George V. Melas, presented his credentials to the President on December 9. For the text of the Ambassador's remarks and the text of the President's reply, see Department of State press release 710 of December 9.

Soviet Propaganda Charges Against U. S. Efforts To Deter Aggression in Asia

Statement by C. D. Jackson

*U.S. Representative to the General Assembly*¹

Just last week the *Ad Hoc* Political Committee was given a clear picture of how the Soviet bloc is using the United Nations as a propaganda sounding-board to increase world tensions. I am happy to say that this Committee was not fooled by the Soviet bloc maneuver.²

Today we have just been treated to another superb example of propaganda tactics, really skillful propaganda tactics. I am referring to Mr. Sobolev's bland statement, just a clause and a sentence just a few minutes ago, to the effect that the United States started the war in Korea, had attacked North Korea. Now if anyone here believes that statement, then they can believe Mr. Sobolev's other statements which are inevitably built upon that premise, that is, the propaganda structure. But if, on the contrary, we accept the fact

of unprovoked North Korean aggressive attack against South Korea in which there were no United States troops—and that has been the finding of the United Nations—then curiously enough, the truth of practically everything else that Mr. Sobolev said, the truth of practically every statistic which he reeled out for us at considerable length, is, to say the least, in serious doubt. That is why I say that the Soviet charge against alleged United States aggression is nothing but propaganda based on a propaganda premise.

This Committee saw through the baseless charges submitted under the Czech item. In fact, the crude propaganda attempt of our Soviet colleagues blew up in their faces and was turned against them. This Committee pronounced itself in no uncertain terms. It placed the responsibility for fostering so-called war propaganda right where it belongs. It again went on record decisively that it is the unwarranted and continued maintenance of the Iron Curtain by the Kremlin rulers that today constitutes the overriding reason for false and hostile propaganda against peace.

Today we find ourselves facing the Bamboo Curtain.

This item is not new. A similar item and similar resolutions were brought into the Security Council and the General Assembly in 1950. The Security Council rejected the Soviet proposal by 9 votes to 1. The General Assembly never voted on the Soviet proposal. In fact, the debate on it was interrupted in November 1950 when the Assembly turned its attention to a fact of war and disregarded their propaganda falsehood. That fact of war was the Chinese Communist military intervention in Korea.

¹Made in the *Ad Hoc* Political Committee on Dec. 9 (U. S. delegation press release 2072).

²Debate on a Czechoslovak proposal (U.N. doc. A/AC.76/L.16) opened in the *Ad Hoc* Political Committee on Nov. 30. The draft resolution recommended that all states "take effective measures against all forms of propaganda tending to create hostility and hatred among nations and increasing the danger of a new world war." On the same date the United States, Australia, Brazil, Cuba, France, Honduras, Iraq, Pakistan, the Philippines, and the United Kingdom jointly offered amendments (U.N. doc. A/AC.76/L.17) which had the effect of deleting four of the draft's five paragraphs and placing emphasis on the removal of barriers to free exchange of information and ideas.

The original Czechoslovak draft was not put to a vote. The amended version was adopted on Dec. 2 by a vote of 35-5-10 (U.N. doc. A/AC.76/L.19); Czechoslovakia joined the other Soviet-bloc delegations in voting against it. The vote in the Dec. 11 plenary was 45-5-9.

For texts of statements made during the committee debate by C. D. Jackson, see U.S. delegation press releases 2049 of Nov. 30, 2052 of Dec. 1, and 2054 of Dec. 2.

Let us not for a moment forget that the introduction of this general subject at the United Nations in 1950 was a prelude to Communist China's engaging in aggression in Korea, of which Communist China still stands convicted. I ask my Soviet colleague: Why have you taken this old item off the shelf and revived it? Is it intended to hide your own intentions to commit or push-button further aggressions in the Far East? This is something we should all ponder during the course of this debate. Certainly the recent actions of the Soviet Union's Chinese Communist partners do not reassure us on this score.

Close on the heels of the Geneva Conference the Chinese Communists began to develop a full-scale propaganda campaign, both for domestic and foreign consumption, promising the "liberation" of Formosa, even though the world knows that the people of Free China are desperately opposed to the tyrannical form of government which has been imposed on their mainland brethren. This propaganda campaign has already achieved the magnitude of the "Resist America—Aid Korea" campaign by means of which the Chinese Communists sought to stir up support for their aggression in Korea in defiance of the United Nations.

But the Chinese Communists have not relied upon words of hate and threats of belligerent action alone to create tensions in the Formosa area. They have resorted to bombs and shells to heighten the effect. On September 3 Chinese Communist artillery pumped nearly 5,000 shells onto the Islands of Big and Little Quemoy, thus deliberately inflaming a situation which had been quiescent for nearly 5 years. Since then the Communists have continued to bomb and shell these and other small islands which have always been held by the Government of China. It could not have been mere coincidence that this well-developed and systematic campaign for the "liberation" of Formosa was launched when a new campaign was needed for the internal purpose of reviving the faltering enthusiasm for the actions of the Chinese Communist regime. Externally, of course, the Chinese Communists and their Soviet partners hoped to split the United States from its allies. Let me advise the Soviet representative, however, that the mutual interest of the United States and its allies in freedom and justice is so basic that no amount of cheap political warfare can break them apart.

On August 11 Chou En-lai told the 33d session of the "Central People's Government Council":

The liberation of Taiwan is a glorious, historic mission of the Chinese people. Only by liberating Taiwan from the rule of the traitorous Chiang Kai-shek group, only by fulfilling this glorious task, can we win complete victory in the great cause of liberating the Chinese people and thus further safeguard the peace and security of Asia and the world.

Again on September 23, 1954, Mr. Chou addressed the "National People's Conference" as follows:

The Chinese people must liberate Taiwan. As long as Taiwan is not liberated, China's territory is not intact, China cannot have a tranquil environment for peaceful construction and peace in the Far East and throughout the world is not secure. On August 11, 1954 the Central People's Government Council passed a resolution urging all Chinese people and the Chinese People's Liberation Army to redouble their efforts in all fields of work and strive to liberate Taiwan and eliminate the traitorous Chiang Kai-shek group, so as to complete our people's sacred task of liberation. On August 22, all the democratic parties and groups and people's organizations of China issued a joint declaration on the liberation of Taiwan in response to this call of the Central People's Government.

If the Chinese Communist regime is not seeking to provoke new armed conflict, what is the meaning of this language contained in "an order of the day to all commanders and fighters of the Chinese People's Liberation Army" issued by General Peng Te-huai, Minister of Defense of the Chinese Communist regime, on October 1, 1954 (the same General Peng, incidentally, who signed the Korean Armistice Agreement as commander of the so-called People's Volunteers)?

The struggle to liberate Taiwan, therefore, is still an unfinished task in the Chinese People's war of liberation. It is the glorious duty of the Chinese People's Liberation Army to liberate Taiwan. . . .

Only yesterday Chou En-lai said:

To liberate Taiwan and liquidate the traitorous Chiang Kai-shek clique is a matter which falls entirely within the scope of China's sovereignty and internal affairs and no interference by any other country will be tolerated.

I ask the Soviet delegate, can the effect of such statements be other than to increase tensions? Can it be that they are not deliberately designed to increase tensions? All of us are familiar with the ominous meaning of the word "liberation" in the mouths of the Communists. History has taught us that it spells conquest, aggression, and the force-

ful imposition of Communist rule upon unwilling peoples. This is the course to which Chou En-lai has publicly committed his regime, and he stands the more exposed against the background of the continuous stream of similar statements which have poured from the mouths of other Chinese Communist officials, punctuated at frequent intervals by the roar of Communist gunfire.

And the Soviets, apparently feeling the need to give aid and comfort to the Chinese Communists, have pitched in with a similar orchestration. In his address of September 30 in Peiping, Mr. N. S. Krushchev said:

The Soviet people deeply sympathize with the noble cause of the great Chinese people, support the Chinese people in their determination to liberate their suffering brothers from the oppression of the Chiang Kai-shek brigands on Taiwan, and to eliminate the Chiang Kai-shek brigands on the Island.

How does this kind of Soviet support for Chinese Communist plans to attack Formosa square with Communist protestations of devotion to peace and early disarmament? How do these bellicose Communist statements on Formosa contribute to a reduction of international tensions? If the Soviet Government's support of peace and disarmament is sincere, then why does it not undertake to moderate its bellicose ally? Apparently the Soviet Government prefers to overlook these provocative words and deeds of its Chinese partner and tries to confuse the world with charges of aggression by the United States.

False Accusations Against U. S.

Let us now look briefly at some of the accusations that are being hurled at us. The Soviets allege the forcible seizure and occupation of Formosa by United States armed forces. Certainly it is obvious to everyone that the United States has neither seized nor occupied Formosa. There are some 8 or 9 hundred United States Army, Air Force, and Naval officers and men stationed on Formosa for the purpose of training the military forces of the Chinese Government. They are there at the request of that government. It is a patent absurdity to claim that the United States with a few hundred men engaged in a training mission has seized or occupied Formosa, garrisoned by half a million Chinese.

Let me stress again that the small group of United States military officers are in Formosa at

the invitation of the Chinese Government. The military and economic assistance extended to the Chinese Government is nothing new. It is a manifestation of the traditional concern of the United States for the well-being of China. The United States is proud of its long record of friendship and assistance to the Chinese Government. The United States has traditionally stood and still stands for the independence and territorial integrity of China. Historically the United States has maintained this stand in opposition to imperialist pressures.

Many examples could be given of the continuity of the American policy in this respect, but I will cite only a few this morning. Defense of China's independence and territorial integrity was the purpose of the "Open Door Notes" of Secretary of State John Hay in 1899, of the United States Circular Note to the Powers in 1902, of the United States appeals to both belligerents in the Russo-Japanese War in the years 1904-05, and of the Root-Takahira Agreement of 1908. The United States took a firm stand against aggression in Manchuria in 1932 and refused to recognize any arrangements which impaired the open-door policy. From 1937 down to the present, the United States has provided both economic and military aid to the Government of China. Through private institutions the people of the United States have also made contributions to the welfare and education of the Chinese people. I recall these facts simply to make clear the continuity of American policy toward China. The United States has consistently stood for the independence and territorial integrity of China. It has for many years extended assistance to the Government of China when that Government has sought such aid.

The record of the United States, therefore, gives the lie to the Soviet accusation that the United States has violated Chinese territorial rights and international agreements respecting China. It exposes the falsity of the Communist contention that its economic and military assistance programs conceal imperialistic or aggressive designs.

As to the accusations that the United States is perpetrating and abetting aggressive acts in the Formosa area, let us examine the actual situation. I have already described for you the deliberate and systematic campaign initiated by the Chinese Communist regime at the close of the Geneva Conference to stir up tensions as to the Formosa

situation. A part of this campaign has been the launching of attacks against islands held by the Chinese Government. It was only natural and right that the Chinese Government should have defended itself against such attacks and should have sought to destroy the war vessels and the artillery emplacements used by the Communists in making such attacks. As the Chinese Government has publicly stated, its actions have been designed purely as a defense against these attacks launched by the Communists as a part of their burgeoning campaign to seize territories of Free China. Communist propaganda has deliberately distorted these defensive actions.

Shelling of Quemoy

For example, for domestic purposes it played up the heavy shelling of Quemoy as "victory." The military responses which it has provoked by these attacks have been heavily played in its propaganda as "acts of aggression" by the Chinese Government and the United States. When, several weeks after the initial heavy Communist shelling of Quemoy, military activities in the area slackened, the Communists found it necessary to bomb the Tachen Islands, presumably in the hope of provoking retaliation which could be ballyhooed as further "aggressive action."

A part and parcel of this Communist campaign of word and deed to increase tensions over the Formosa area has been the marked increase in publicity given to trials of so-called counter-revolutionaries and spies in Communist China. These spy trials have suddenly been multiplied rapidly and given unusual prominence in Peiping propaganda output. The victims of these trials are invariably portrayed as agents of the Chinese Government and/or the United States, and their alleged plots are linked with the so-called aggressive designs of their alleged principals. The climax of this exercise in stirring up war hysteria in China and heightening international tensions was the sentencing of 11 United States Air Force personnel of the United Nations Command. These trumped-up charges are said by the Communists to "prove" United States aggression against China. It is by such false accusations as this, as well as by provocative armed attacks and a constant barrage of propaganda, that the Chinese Communist regime seeks to create the illusion of United States aggression.

But the military activities of the United States with respect to Formosa are a matter of record. They are the antithesis of aggression. They are designed to prevent aggression and to promote stability. In June 1950 the then President of the United States ordered the United States Seventh Fleet to prevent an attack on Formosa because in the circumstances of the Communist aggression against the Republic of Korea "the occupation of Formosa by Communist forces would be a direct threat to the security of the Pacific area and to United States forces performing their lawful and necessary functions in that area." The purpose of the United States was clearly to prevent the spread of war and to maintain stability in the area of Formosa. This purpose was achieved.

Following the Korean Armistice, tensions in the area were focused in Indochina, and it was clear that the continuance of the Seventh Fleet mission was important to the maintenance of stability in the general area. Although a settlement was arrived at during the Geneva Conference designed to contribute to the reduction of tensions in Indochina, the Chinese Communist regime lost no time in launching a campaign aimed at the forcible seizure of Formosa, which had the effect of maintaining and increasing tension in that area. If it had not been for the continuing mission of the Seventh Fleet, these Communist threats might already have been turned into the hideous spectacle of a fresh armed assault upon freedom-loving people. In brief, the Seventh Fleet has carried out its mission successfully and has accomplished its objective of preventing the spread of war to Formosa. It is not engaged in nor has it abetted any provocative or offensive actions, but it has made a significant contribution to stability, a stability which the Communists are now doing their best to upset.

Last week the Government of the United States and the Government of China took an important step to contribute further to the stability of the Formosa area. On December 2 they signed a Mutual Defense Treaty.³ The nature and purpose of this treaty was clearly set out in a joint statement by the United States and Chinese Governments issued on December 1 on the conclusion of negotiations of this treaty. In this joint state-

³ BULLETIN of Dec. 13, 1954, p. 895.

ment the United States and Chinese Governments pointed out ". . . this treaty between the United States and the Republic of China will be defensive in character. It will reaffirm the dedication of the parties to the purposes and principles of the Charter of the United Nations." The purpose of the treaty was clearly stated in these words: "It is directed against threats to the security of the treaty area from armed attack and provides for continuing consultation regarding any such threat or attack." This treaty follows the general pattern of other security pacts which the United States has concluded with countries in the Western Pacific. It forms another link in the system of collective security which provides the essential framework for the defense by the free people of the Western Pacific against Communist aggression. This treaty can be construed as a threat only by a would-be aggressor.

This mutual security treaty with the Republic of China solemnizes and gives permanency to the previous steps of the United States to stabilize the situation in the area of Formosa. It is designed to deter aggression—to prevent the kind of Communist miscalculation which could lead to an effort to invade Formosa. I maintain that this is a contribution to peace, not to war.

Let any impartial observer review these facts and decide for himself who it is that is promoting and encouraging war and the increase of international tensions as between the mainland of China and Formosa.

Communist Definition of Aggression

The root of the matter is that in Communist jargon any effort to create a defense against expanding communism is called aggression. I could cite examples to prove this point from all over the world, but I shall confine myself to Asia.

As early as 1946, when the Second World War was over and the United States made clear its policy of continued support of the Republic of China, the propaganda of Chinese communism proceeded to paint the United States as the aggressive successor to imperial Japan.

In 1950 the Communist aggression in Korea was painted by Moscow and Peking as a defense against a mythical attack from the south, and the United Nations response to that aggression had no sooner taken place than it was portrayed as a

cover for aggression by the United States. The world is long weary of this lie.

In 1950 the United States joined with Australia and New Zealand in a defensive treaty and with the Philippines in another defensive treaty, and, sure enough, Soviet communism condemned both these treaties as acts of aggression.

In 1952 the United States concluded a Security Treaty with Japan and in 1953 it signed a Mutual Defense Treaty with the Republic of Korea. These steps were taken as a means of strengthening further the defenses of the free world in the Western Pacific. But the Soviet and Peking Communists have from the beginning labeled them as aggressive.

Then in September of this year an eight-power Southeast Asia Collective Defense Treaty was signed at Manila.⁴ The parties are Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom, and the United States. The treaty provides that in case of aggression by armed attack each of the parties will act to meet the common danger and that in case of aggression by other means, such as subversion, the parties will consult immediately to agree on measures for the common defense. This last provision is important because, as Secretary Dulles said on September 15, "subversion and indirect aggression have been principal tools of international communism."

These are the provisions of the Manila pact, and the only provisions, concerning aggression. And what is the reaction from the centers of world communism? The same as before: that the treaty is an act of aggression.

And now comes the mutual security treaty with the Republic of China. Can anyone be surprised that this too, in Communist language, is labeled as an act of aggression? As recently as yesterday Chou En-lai said: "The mutual security treaty concluded by the United States Government with the traitorous Chiang Kai-shek clique is in every sense a treaty of war and aggression. United States imperialism is hostile to the Chinese people." How long do Moscow and Peking think they can fool the intelligent peoples of Asia with this outworn inversion of the truth? How many people in Europe are likely to believe it—people who so well remember how Hitler launched

⁴ *Ibid*, Sept. 20, 1954, p. 393.

World War II by accusing Poland of committing aggression against him?

The Facts of History

In our search for the truth, we do not need to depend on such misuse of words. We have the facts of recent history in Asia, and from those facts we can easily answer the question I raised a few moments ago: Who is the real aggressor in Asia? Permit me to divide this question into some concrete questions of fact.

First, who was it that signed a treaty in 1945 to support the Republic of China and in the same year turned over vast stocks of captured Japanese arms to the internal Communist enemies of that Republic? Who in the meanwhile closed the port of Dairen to Chinese Nationalist troops so that they could not interfere with the Chinese Communist conquest of Manchuria? To both questions the answer is written in history: the Soviet Union.

Second, who was it that established a Korean Communist army in North Korea from 1945 to 1950, supplied and trained that army, provided Soviet citizens of Korean ancestry to be its leaders, and posted its own military officers to give the signal for the southward aggression on June 25, 1950? The answer is: the Soviet Union, with the complicity of Communist China.

Third, who sent armies of so-called "volunteers," a million strong, into Korea in late 1950 to continue the aggression after the original aggressor army had nearly been crushed by United Nations forces? And who, for this act, was found guilty of aggression by the United Nations General Assembly? We all know the answer: Communist China.

Fourth, who in 1952 subjected helpless prisoners of war in Korea to weeks and months of deprivation and torture in order to extract false confessions from them about a totally fictitious germ warfare campaign, and bolstered this propaganda barrage with fraudulent so-called scientific commissions in Peking, all the while resisting any impartial investigations—thus mounting one of the most colossal and fraudulent hate campaigns in modern history? The answer is known: Communist China.

Fifth, who in 1953 signed a solemn armistice

agreement in Korea, forbidding the reinforcement of armed forces and requiring that every prisoner of war be sent home if he wished to go—and then shamelessly violated both these provisions, introducing reinforcements into North Korea and denying to hundreds of United Nations prisoners of war, citizens not only of the United States but of several other countries as well, the right to return home? The answer is plain: Communist China.

Sixth, who in 1954 selected 11 American airmen from among these illegally detained prisoners, put them through a mock trial and conviction, and sentenced them to jail terms ranging from 4 to 10 years, all on fabricated charges of espionage? Again, Communist China.

Seventh, who in all this propaganda, and not alone in the infamous germ warfare campaign, has sought to instill a frenzied hatred of America into the minds of the Chinese people, our traditional friends? Who developed as a basic propaganda the three slogans that begin: "We Must Hate America; We Must Despise America; We Must Look Down Upon America"? Who has fomented all this primitive hatred, which is the spiritual father of aggression and war? The answer is the same: Communist China.

And in the face of all these overt acts of aggression and violence, those who support Red China in this body are now asking us to condemn as "aggression" the adoption of a posture of resistance to their imperial ambitions. To bow to this demand would be to adopt the principle that self-defense against Communist attack is an international crime.

The United States continues to act in the belief that international peace and security can be attained, even against great obstacles, by patience and firmness in the right. But it cannot be attained by bowing to the will of a convicted aggressor.

Mr. Chairman, I fervently hope that the Committee will promptly dispose of the unsubstantiated charges made in this Committee by voting down decisively the resolution tabled by the Soviet Union.⁵

⁵ The draft resolution (U.N. doc. A/AC.76/L.23) was rejected by the *Ad Hoc* Political Committee on Dec. 10 by a vote of 5-39-7 and by the plenary on Dec. 17 by a vote of 5-44-8.

U. N. Human Rights Day, 1954

A PROCLAMATION¹

WHEREAS December 10, 1954, marks the sixth anniversary of the proclaiming of the Universal Declaration of Human Rights by the General Assembly of the United Nations as a common standard of achievement for all nations and all peoples, and is observed by the member states of the United Nations as Human Rights Day; and

WHEREAS December 15, 1954, marks the one hundred and sixty-third anniversary of the adoption of our Bill of Rights as the first ten Amendments of the Constitution of the United States; and

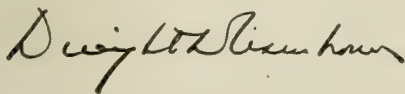
WHEREAS these same rights are secured to us in the Constitutions and basic laws of our States and Territories; and

WHEREAS an attachment to the noble principles of individual liberty and equal opportunity for all, as enunciated in these great documents, is the foundation of our democracy and a safeguard against dictatorship and tyranny:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby call upon the citizens of the United States to join with peoples throughout the world in observing December 10, 1954, as United Nations Human Rights Day, and on this day and on December 15, the anniversary of our Bill of Rights, as well as throughout the year, to give profound thanks to Almighty God for the rights the people of our Nation have so long enjoyed—freedom of speech and of the press; freedom to worship in accord with the dictates of conscience; fair trial and freedom from arbitrary arrest; the right to own property and to profit by the fruits of our labors. For these rights and freedoms men and women in many countries have striven and died, as our forefathers strove and died, and as today still others strive and die in defense of human dignity against the claims of totalitarian governments. Let us as free men stand firm in our faith in liberty for all nations and all peoples. Let us by example and cooperation strengthen the world-wide recognition of human rights as the basis for a lasting and prosperous peace.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this third day of December in the year of our Lord nineteen hundred and fifty-four, and of the Independence of the United States of America the one hundred and seventy-ninth.



By the President:

JOHN FOSTER DULLES
Secretary of State.

Opening of Washington Studios of Voice of America

REMARKS BY THEODORE STREIBERT¹

We are happy to welcome you here this afternoon at the formal opening of the Washington headquarters of the Voice of America. From these new studios we broadcast round the clock 7 days a week and reach practically every corner of the world with 75 programs each week in 38 different languages. This is a fitting occasion on which to reaffirm the principles which have guided the operations of the Voice since the establishment of the Information Agency on August 1 a year ago and to rededicate ourselves to the purposes the Voice is attempting to accomplish in the interest of the United States.

The Voice and the other elements of the Information Agency play an important supporting role in American foreign policy. It is our job to communicate U.S. policies and actions to peoples overseas. The President and the National Security Council have made this our basic mission—to communicate and interpret U.S. policies, to keep U.S. aims clear in the minds of people throughout the world, and counteract Communist distortions and misrepresentations.

Obviously we could not carry out this mission without the closest possible relationship within and guidance from the Department of State.

From the first day of our existence as a separate agency we have had the best help and sympathy and cooperation from Secretary Dulles, Assistant Secretary Carl McCardle and the members of his Public Affairs staff, and from the other officers of the Department. On behalf of the staff, I wish to express how much we appreciate this friendly day-to-day working relationship.

Our program structure here at the Voice consists primarily of news. It is hard, factual news, avoiding any propagandistic overtones and intended to give credible, reliable accounts of news events. We aim to build up a reputation among listeners for credibility and reliability.

In addition to straight news, the content consists of news commentaries, political commentaries, special events, roundups of editorial com-

¹ Made at the Department of Health, Education, and Welfare Building, Washington, D. C., on Dec. 1. Mr. Streibert is the Director of the U.S. Information Agency.

¹ No. 3079; 19 Fed. Reg. 8089.

ment from the U.S. press, and religious programs. For some areas of the world we include specialized material of interest to those particular areas.

These programs go out over a network of 30 shortwave transmitters in the United States and 45 additional transmitters, both shortwave and mediumwave, located at strategic positions throughout the world.

One of the principal objectives of the Voice is to bring the truth about the policies of the United States to the peoples of the Soviet orbit by penetrating through the Iron and Bamboo Curtains. The peoples of the Soviet itself have very little means of knowing what is going on in the world except what their Government wishes them to know. We can constantly bring them the truth, both by revealing it when it is withheld by their own authorities and by setting the record straight when distorted versions are imposed on them. Gradually there may develop a skepticism, or deposit of doubt, about the intentions of the Kremlin rulers and their policies.

To the enslaved peoples of the satellites, our news and commentaries from the outside world can also continue to bring evidence of our interest in their freedom and hope for their ultimate liberation.

For these purposes—reaching behind the Curtains—the Voice is devoting three-quarters of its total programs and two-thirds of its budget, about \$10 million of the total \$16 million budget. There are 6½ hours daily of these programs designed to penetrate the Curtains, and many are repeated at different times and on different frequencies to provide added reception.

The Communists have become increasingly bitter about the Voice. In 1953 the press of the U. S. S. R. and Communist China attacked us more than 500 times. From these sources every knock is a boost, as we see it. And, of course, they go to great expense and effort in jamming to prevent their people from listening to Voice broadcasts. But we know our signals *do* get through.

The second function of the Voice is to serve the countries of the free world in their languages with news and interpretation of U.S. policies.

Third, the Voice brings news in English every day to the far quarters of the globe—so that U.S. citizens and all English-speaking people can keep in touch with us.

The wisdom of Congress in directing that the Voice of America be moved from New York to Washington is already becoming apparent in practice. All of the major activities of the Agency are now located here. Organizationally, we are now much more closely knit. Also, the Voice operators are closer to their source of daily foreign policy guidance—the State Department.

Another benefit is the considerable psychological value of being able to open our programs with the words "This is Washington." By originating its programs here, in the shadow of the Capitol dome, the Voice takes on added authority and strength.

The new location will also make it easier for members of Congress to speak over the Voice, which we are very anxious to have them do as often as possible, because it is effective program material—particularly when they speak in the language of the listening audience. No less than 158 members of Congress have contributed their time and persuasiveness to Voice of America broadcasts over the past 2 years.

As I have said, a very large portion of our output is concerned with making known to the peoples of other countries the foreign policy of the United States.

It is my privilege now to introduce to you the chief of the senior department of our Government—the man who bears the heavy responsibility of determining our foreign policies and actions. Even prior to his coming to this high office he spent many months assisting in developing and carrying forward our foreign policy. Ten years ago this summer he came to Washington and worked as a good partner in the creation of a nonpartisan policy toward the United Nations, which was then just coming into being.

Beginning nearly 2 years ago he has demonstrated that he is one of the most dynamic Secretaries of State in our history. The record of his foreign travels, as he worked mightily and courageously to unite our allies and turn back the tide of Communist expansion, puts to shame the combined achievements of Odysseus, Magellan, and Marco Polo. Again and again President Eisenhower has expressed his profound gratitude toward him and his great confidence in his work.

I introduce to you a fine gentleman who has on many occasions confirmed his interest in the work

of the U.S. Information Agency, including the Voice of America—the Secretary of State, Mr. John Foster Dulles.

STATEMENT BY SECRETARY DULLES

Press release 682 dated December 1

It is a pleasure to be here at the opening of the Washington studios of the Voice of America. The handsome invitation said "formal opening." But I do not feel that the accent is on formality as old friends gather here in a common cause.

The cause is to tell others the truth about America—our United States of America. The USIA does this through many ways, of which the Voice is the best known, the most direct, and the most intimate.

Much of what others want to know relates to policies made in Washington. So, it is fitting that the studios of the Voice should be relocated in the Nation's Capital. I am bound to say, however, that I hope that this will not mean that Washington news will monopolize the Voice. Our country speaks with many voices, and sometimes it seems to me that the most authentic voices are to be found outside of our political Capital. Perhaps the term "Voices of America" would better define what it is we seek to project, which is the truth about this great and many-sided Nation of ours.

And yet there are times when our Nation speaks as one voice. That is when, as now, the basic values of our civilization are challenged. At these times we speak as one in our determination to resist and overcome the challenge. There are naturally and properly differences as to how best to proceed. But on basic matters there is impressive unity.

It is symbolic of that unity that I, who am the head of one of the departments of Government, speak here at this meeting of another independent agency. It shows that the Department of State and the USIA are one in purpose.

At the time when this Agency was created, President Eisenhower said:

It is not enough for us to have sound policies dedicated to goals of universal peace, freedom, and progress. These policies must be made known to and understood by all peoples throughout the world. That is the responsibility of the new United States Information Agency.

It is the Department of State which, under the

President, makes our foreign policies. It is you who help to make them known to and understood by all peoples throughout the world. In this joint task we cooperate and your Director, Mr. Streibert, and I meet frequently, and appropriate members of his staff meet with members of the State Department, so as to assure close and harmonious working relations.

You of the USIA are dedicated to spreading the truth, not fiction. In particular you want to get that truth to those in captivity behind the Iron Curtain. There the people are fed an incessant diet of falsehoods. Only through such agencies as yours does the truth penetrate. It is of vital importance that this should happen. Otherwise, there would be brainwashing on a vast national scale. A third of the world's population—800 million people—live in a nightmare world which has no counterpart in the world of reality.

You deal with fact—the great story of our Nation. It is your high mission to tell that story day after day as it unfolds so that all may find in it hope and take from it courage.

Possibility of Holding Big Four Conference

Press release 704

At his news conference on December 7, Secretary Dulles was asked for comment on press reports of French initiative in sounding out the U. S. S. R. about the possibility of a Four Power Conference in May. The Secretary made the following reply:

Those reports imply a purpose on the part of the French Government which goes beyond anything of which we have been informed. There has been, as you all know, a pretty general expression which has been shared by the representatives of the three Western Powers of Great Britain, France, and the United States and also, indeed, by the Federal Republic of Germany through Chancellor Adenauer when he was here, to the effect that once the plans for the consolidation of the defenses of Western Europe are completed, so that a conference would not degenerate into a maneuver to prevent that, then we would hope for an opportunity to have talks which might really be con-

structive and deal seriously with some of the grave issues: the issue of the Austrian Treaty, which indeed could be dealt with without a conference by a mere act of signing; the question of the unification of Germany. There is also the point which I alluded to in my Chicago speech,¹ which I believe was quoted by Mr. Mendès-France in a recent statement of his, to the effect that we would be glad to encourage by talks, if that would help, a limitation upon the armament of the Eastern Soviet bloc comparable to the limitations which will be imposed as a self-denying ordinance upon the members of the Western European group.

Asked whether there are any arrangements by which the three Western Powers will consult or coordinate in advance steps they may be taking individually through diplomatic channels with the Soviets in the coming months, Mr. Dulles replied:

As I said, there was a pretty general consensus which has been expressed by the President and myself for the United States and by the responsible heads of the Governments of France and the United Kingdom and also of Germany with respect to the possibility of having a useful consultation sometime next spring when, presumably, the London-Paris accords will have been ratified so that that step will not any longer be a matter for debate and discussion. Now we have not gotten down to the point of thinking concretely as to when such a meeting might be held, although I think Mr. Mendès-France mentioned the possibility of May being a date when presumably the ratifications would have been behind us. But there has been no concerted action by the three Western Powers to fix a date or agenda or anything of that sort as yet.

Return of Ambassador Bohlen to Moscow

Press release 702

At his news conference on December 7, Secretary Dulles was asked whether he had concluded his talks with Ambassador Charles E. Bohlen and whether Mr. Bohlen expected to return shortly to Moscow. Mr. Dulles made the following reply:

Yes, we have concluded our talks and he is

¹ BULLETIN of Dec. 13, 1954, p. 890.

going back in the normal course. He is leaving tomorrow.

Asked whether Mr. Bohlen's return would promote an exploration of the idea of normal diplomatic relations with the Soviet Union, Mr. Dulles replied:

There has been an iron curtain almost, you might say, within Moscow between the representatives of the Western countries, in particular, and the high officials of the Soviet Government. The talk which Mr. Bohlen had with the Soviet Prime Minister at the reception shortly before he left Moscow was a step in the way of doing away with that complete barrier, and it would, I think, be helpful and desirable if there could be opportunities for informal talks between the representatives of the foreign diplomats and the high officials of the Soviet Union. That is the kind of thing which comes about only gradually, naturally. The talks are informal, the kind which often take place in Washington with foreign diplomats, and I think we would all welcome it if that atmosphere could be brought into the Moscow situation.

Asked whether Soviet officials had given any indications of reducing tensions or dropping some of the police surveillance of diplomats in Moscow, Mr. Dulles replied:

There has been nothing of a formal nature at all that I am aware of in that respect.

Asked whether Mr. Bohlen had been instructed to make any specific proposals about reducing tensions when he returns, the Secretary replied:

No, other than that Mr. Bohlen is aware of our general sentiments, as I have just now expressed them, and certainly he would feel authorized to encourage any development along that line.

Economic Assistance to Underdeveloped Areas

Press release 701

At his news conference on December 7, Secretary Dulles was asked a series of questions relating to the possibility of U.S. economic assistance to underdeveloped areas. He first was asked whether he would discuss with the Prime Minister of Ceylon an Asian aid program. The Secretary replied:

Department of State Bulletin

I have no intention of doing so, but if he brings it up I will, of course, tell him the state of our thinking on that subject. You will recall that in my Chicago speech of last week¹ I did not refer to an Asian aid program. I did refer to the fact that it is normal in a free society that highly developed countries should assist in the capital development of the underdeveloped countries. I didn't specify underdeveloped countries in any particular part of the world. There are such underdeveloped countries not only in Asia but in the Near East and in South America, and that broad problem is under active consideration by the United States Government.

Asked how advanced this consideration is and how close it is to a policy decision, Mr. Dulles replied:

It is advanced, I would say, to the point where the principle is accepted—the general principle which I laid down in my speech in Chicago a week ago Monday, a speech which the President indicated he had read and approved. So I would say that that is clear policy of the administration.

Now the question of how to implement that policy is a very complicated one. It involves many agencies of our Government. It involves the question of how best to stimulate that development through private capital, which is the normal way by which it is done. It involves the proper role of government aid versus private aid. It involves the question of the creation of the investment climate in the recipient country.

All of these problems are extremely difficult problems. I think it is generally known that Mr. [Joseph M.] Dodge is making a study with a view to making recommendations as to how we shall organize ourselves in the administration to deal with that type of problem. As I say, it involves many different agencies of the Government, and the first important thing is to be able to coordinate our own thinking and planning in this field. That is being studied by Mr. Dodge, who will shortly make a report. Until that is worked out, we do not have any concrete plans except those that are already reflected in the MSA legislation and in the policies and actions of the Export-Import Bank.

Asked whether the principle which has been accepted also involves a shift of emphasis from mili-

tary to economic development, the Secretary replied:

I would not say that it is a shift of emphasis from the military because I believe that until there is some effective method of controlling and limiting armaments, or until there is greater confidence in the world, it is necessary to keep a very high emphasis upon the military. It does, I think, reflect recognition of the fact that the present phase of the struggle between the world of Communist despotism and the free nations is shifted to some extent, for the time being perhaps, more to economic competition, and that there is less fear than there was, I'm glad to say, of open military activities. So perhaps we need to give more thought to this phase of the problem than has been the case during recent years when primary emphasis was placed upon the military.

Asked whether Mr. Dodge will make specific recommendations as to the size and scope of the policy, or whether he will merely study it and organize the mechanics of formulating such a foreign economic policy, Secretary Dulles replied:

I think that the latter is the more likely scope of his report. In other words, I think that he will deal primarily with the question of how to get organized, so that we will be able to come up quickly with agreed policies which will take into account the legitimate views of all of the government agencies involved.

Asked whether it is the expectation of the administration to submit a program to the next Congress for economic development in Asia along the lines indicated in the Secretary's Chicago speech, Secretary Dulles replied:

I would think it likely, yes.

Asked whether he thought there is any relation between this cautious attitude now on aid to Asia and the resignation of Prime Minister Shigeru Yoshida of Japan, the Secretary replied:

No, I do not think that there is any relationship there.

Asked whether our European allies are helping with this development of underprivileged areas in Asia, Secretary Dulles replied:

There is a very considerable amount of activity on the part of the better developed and industrial-

¹ BULLETIN of Dec. 13, 1954, p. 890.

ized European nations to bring about capital developments in a number of the underdeveloped areas. Now that's being done to a very considerable extent through private activity, but oftentimes with government guaranties of credit and the like, which is a perfectly legitimate and effective way of doing this business. The Germans, I would say, are perhaps doing more today in activities designed to promote development in underdeveloped areas than any other European country. They are doing it, obviously, because they think it is good business to do it, but that in itself is no reason for not doing it.

Asked whether the German contribution is higher than Great Britain's under the Colombo Plan, the Secretary replied:

I am talking in general here about the underdeveloped countries. I think it is a mistake if you try to divide it up in terms of particular areas. In the main, there is a very considerable amount of activity going on for the development of underdeveloped countries, and much of that is being done privately, although to some extent with the help of government guaranties. I can't give you the precise figures because when it is done privately the figures are not as easy to get as when they are done by governmental grants.

One of the greatest mistakes that we make is to assume that nothing is done unless the government does it. I have repeatedly said that that is one of our greatest errors—when we go for statistics and figures we only go to governmental figures. We believe in free enterprise, free economy, and that the greater part of this task should normally be done by private people who do it because they think it is the advantageous thing to do. It is mutually advantageous because, as I said in my speech at Chicago, provident loans are usually repaid, and repaid with interest, so it is a good thing to do.

This country was largely developed by capital in Europe, private capital, and preferably it should be done by private capital. The business of government is primarily to help create an investment climate such that private capital does the job. Therefore, I don't like to think of this

task in terms only of its solution by governmental activities.

Asked whether he was suggesting that the magnitude of the problem in Asia can be dealt with by private capital rather than by a considerable government program, Secretary Dulles replied:

No. I believe that there will have to be in some Asian countries perhaps more of a governmental assist than in some other countries because the political hazards in some of these countries are greater than in other parts of the world. On the other hand there is a considerable opportunity for private capital to function in India, for example, and it is already doing so to some extent. Private capital is functioning in Ceylon. To some extent, there is a field which can be developed by private capital in the Far East.

There are some countries where the political risks are so great that you can hardly expect private capital to take the risk, and the political risk is perhaps greater in parts of Asia than it is in some others. Therefore, I think there may have to be a larger measure of governmental assistance there than would be the case if the political risks were less.

Asked the extent to which Latin American countries figure in the administration's thinking on economic aid programs to underdeveloped areas, Mr. Dulles replied:

They are very much in our minds. Of course, that matter was very fully and fairly discussed, I think, at the Rio Conference, which has just ended, and statements were made there as to the prospective activities of the Export-Import Bank. That is an area where, while a certain amount of governmental aid to financing is doubtless necessary for the time being, there is also a considerable scope for private capital going in. Some of the countries, such as Venezuela, just to pick one as an example, have been very largely developed by private capital going in. Somewhere between \$1 billion and \$2 billion has recently gone into Venezuela from private sources, and the end is not yet in sight. So that illustrates the very considerable possibilities of development through private capital. But they will have to be both.

U.S. Grants Additional Economic Assistance to Berlin

The Foreign Operations Administration mission at Bonn, Germany, announced on November 24 that the U.S. Government will make an additional grant of economic assistance for Berlin in the amount of \$23,695,000.

The purpose of this U.S. assistance is to contribute to the continuation of Berlin's economic growth and the development of the general welfare of the Berlin population and, in particular, to augment the availability of long-term capital for risk investment designed to expand Berlin's industrial capacity and create additional permanent working places. This assistance supplements funds already made available for the above purposes, including current investment, reconstruction, and refugee housing programs.

Discussions are at present being conducted between representatives of the U.S. High Commissioner, Dr. James B. Conant, and the Federal Government in regard to the programming of the economic assistance.

Food Shipments to Flood Victims of Central and Eastern Europe

White House press release dated December 3

The President is pleased to learn that the SS. *Mormacport*, carrying flood relief cargo to the people of the Soviet Zone of Germany and Czechoslovakia, is due to arrive today at the East German port of Wismar. She is the first of a number of ships carrying relief aid to the flood victims of Central and Eastern Europe under the program the President announced last July 29.¹ That program was an expression of the American people to help others meet the aftermath of disaster no matter where they may live.

Because no American ship has called at ports

¹ BULLETIN of Aug. 9, 1954, p. 197.

The cargo of the SS. *Mormacport* included 1,714 tons of barley for East German consumption and 2,000 tons of corn for Czechoslovakian relief. On December 9 the White House announced that on December 11 the SS. *Mormacsurf* would arrive at Wismar with a cargo of 2,000 tons of corn for East Germany and 1,000 tons of corn for Czechoslovakia and on the same date the SS. *Mormacmoon* would reach the port of Stettin, Poland, with 4,000 tons of corn for Czechoslovakia.

behind the Iron Curtain in recent years and because of the necessity of assuring that this relief will be appropriately administered under Red Cross principles, these shipments have been delayed beyond the immediate emergency period. The grains will arrive there just in time for the winter season and, the President trusts, will alleviate the hardships caused by this summer's floods.

The President knows that this relief will be received in the spirit in which it is given: a gift from the American people to help relieve the famine and needs caused by floods and nature's forces. The best wishes of the American people go with every parcel to the people of the Soviet Zone of Germany and Czechoslovakia, now held in cruel bondage.

Work of Foreign Bondholders Protective Council

Press release 705 dated December 7

Secretary Dulles and Ralph Demmler, Chairman of the Securities and Exchange Commission, met on December 7 with representatives of the Foreign Bondholders Protective Council to review the work of the Council and its relations with the Government. Harvey H. Bundy, President of the Council, and James Grafton Rogers, formerly President of the Council and now Chairman of its Executive Committee, were the principal spokesmen for the Foreign Bondholders Protective Council. They pointed out that the Council has been active since the war in negotiating adjustments on the dollar bonds of a number of countries, including Italy, Japan, Germany, Austria, Peru, Chile, Colombia, Costa Rica, and others.

Secretary Dulles complimented the Council on the success of its efforts and noted that the elimination of default situations is an important step in reestablishing the confidence of private investors and in encouraging the international movement of private capital. The Secretary acknowledged the important public service being performed by the members of the Council and expressed his gratification that the Council expects to continue its operations.

Current Treaty Actions

MULTILATERAL

Agriculture

International plant protection convention. Done at Rome December 6, 1951. Entered into force April 3, 1952.¹

Adherences deposited: Argentina, September 23, 1954; Pakistan, November 10, 1954.

Ratification deposited: Netherlands (applicable to the Kingdom in Europe, Surinam, and Netherlands New Guinea), October 29, 1954.

Copyright

Universal copyright convention and three related protocols. Done at Geneva September 6, 1952.²

Ratified by the President: November 5, 1954.

Ratification deposited: United States, December 6, 1954.

Genocide

Convention on the prevention and punishment of the crime of genocide. Done at Paris December 9, 1948.¹

Ratification deposited: Ukrainian S. S. R., November 15, 1954.

Slave Trade

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953.¹

Acceptance deposited: Monaco, November 12, 1954.

Whaling

Amendments to paragraphs 6, 7(a), 7(b), 9(b), and 10(d) of the schedule to the international whaling convention signed at Washington December 2, 1946 (TIAS 1849). Adopted at the Sixth Meeting of the International Whaling Commission at Tokyo July 19-23, 1954.

Operative: November 8, 1954.

BILATERAL

Belgium

Agreement concerning a special program of facilities assistance pursuant to the mutual defense assistance agreement of January 27, 1950 (TIAS 2010), with agreed minute. Effected by exchange of notes at Brussels November 23, 1954. Entered into force November 23, 1954.

Italy

Agreement for a technical cooperation program for the trust territory of Somaliland under Italian administration. Signed at Rome June 28, 1954. Entered into force June 28, 1954.

¹ Not in force for the United States.

² Not in force.

Japan

Agreement relating to the transfer of military equipment and supplies to Japan. Effected by exchange of three notes at Tokyo November 19, 1954. Entered into force November 19, 1954.

Korea

Mutual Defense Treaty. Signed at Washington October 1, 1953. Entered into force November 17, 1954.

Proclaimed by the President: December 1, 1954.

Norway

Agreement amending the agreement of May 25, 1949 (TIAS 2000) relating to the use of funds resulting from the sale of U. S. surplus property in Norway and made available under the provisions of the Fulbright Act. Effected by exchange of notes at Oslo August 12 and October 30, 1954. Entered into force October 30, 1954.

Peru

Agreement relating to duty-free entry and defrayment of inland transportation charges for relief supplies and packages for Peru. Effected by exchange of notes at Lima October 21 and 25, 1954. Entered into force October 29, 1954 (date of receipt by the United States of Peruvian note of October 25, 1954).

United Kingdom

Agreement relating to cooperative technical assistance activities in British Guiana pursuant to article II, paragraph 1 (b) of the agreement for technical cooperation of July 13, 1951 (TIAS 2281). Effected by exchange of notes at Washington June 29 and July 12, 1954. Entered into force July 12, 1954.

THE DEPARTMENT

Designations

Julius C. Holmes as senior European political adviser to the U.S. delegation to the ninth session of the United Nations General Assembly, effective November 30 (press release 692 dated December 2).

Bernard G. Bechhoefer as Special Assistant to the U. S. Representative for International Atomic Energy Agency Negotiations, effective December 1.

Tyler Thompson as Deputy Administrator for the Refugee Relief Program, Bureau of Inspection, Security and Consular Affairs, effective December 1.

Edward J. Sparks as Deputy Assistant Secretary for Inter-American Affairs, effective December 5 (press release 697 dated December 6).

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697	12/6	Sparks: appointed Deputy Assistant Secretary (rewrite).
†698	12/6	Phillips: appointed to Committee on Refugees.
699	12/7	Rumania credentials (rewrite).
†700	12/7	Note on Polish ships.
701	12/7	Dulles: aid to underdeveloped areas.
702	12/7	Dulles: return of Ambassador Bohlen.
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†709	12/8	Dulles: anniversary of "Atoms for Peace."
710	12/9	Greece credentials (rewrite).
*711	12/9	Graduates of FSI course.
†712	12/10	Foreign Relations volume.

*Not printed.

†Held for a later issue of the BULLETIN.



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Vol. XXXI, No. 809

December 27, 1954



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The Department of State bulletin

VOL. XXXI, No. 809 • PUBLICATION 5703

December 27, 1954

The Department of State BULLETIN, a weekly publication issued by the Public Services Division, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

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Washington 25, D.C.

PRICE:

52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

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Anniversary of "Atoms for Peace" Proposal

STATEMENT BY SECRETARY DULLES

Press release 709 dated December 8

A year ago today the President of the United States made his momentous "Atoms for Peace" proposal for international cooperation. I think there is much reason for sober satisfaction if we survey today the progress which has been made toward fulfilling the promise of this unprecedented proposal.

In the United Nations, the General Assembly on December 4, 1954, unanimously endorsed the efforts which have been made to implement the President's proposal, while expressing the hope that an International Atomic Energy Agency, as urged by the President, "be established without delay."¹

Even the Soviet Union joined in this vote although expressing certain qualifications in its support for the present plan and without proffering any material support for the Agency at this time. The acceptance by the United Nations of the President's "Atoms for Peace" plan constitutes the most hopeful development in this field since the inception of the atomic age.

During the past year steady progress has been made in pursuit of the goal proposed by the President December 8, 1953.

We have conducted negotiations with the Soviet Union looking to its contribution of fissionable material to an international agency to be created and used to bring the peaceful benefits of atomic energy to the whole world.

I conferred several times with Foreign Minister Molotov on this matter at Berlin and Geneva, and several notes were exchanged.² Despite initial lack of interest by the Soviet Union in the United States proposal, our perseverance in this negotia-

tion finally has resulted in an apparent change in the Soviet position.

Late in September the U. S. S. R. indicated a willingness to resume the discussions. Since then further notes have been exchanged on a confidential basis.

We do not relinquish the hope expressed by the President December 8, 1953, that the United States and the U.S.S.R. can in this way "open up a new channel for peaceful discussion, and initiate at least a new approach to the many difficult problems that must be solved in both private and public conversations, if the world is to shake off the inertia imposed by fear, and is to make positive progress toward peace."

However, as I said in my address to the United Nations General Assembly on September 23, 1954,

The United States remains ready to negotiate with the Soviet Union. But we shall no longer suspend our efforts to establish an international atomic agency.

The United States is determined that President Eisenhower's proposal shall not languish until it dies. It will be nurtured and developed. We shall press on in close partnership with those nations which, inspired by the ideals of the United Nations Charter, can make this great new force a tool of the humanitarian and of the statesman, and not merely a fearsome addition to the arsenal of war.

The United States has in the meantime gone ahead with concrete steps proving our intense interest in developing the peacetime aspects of atomic energy and making these benefits available to the world.

For example, at Shippingport, Pennsylvania, on Labor Day ground was broken for the world's first commercial-size atomic power plant. In a nationwide broadcast on this occasion the President proclaimed this nation's willingness to share atomic technology for similar purposes with other countries of good will.³

¹ BULLETIN of Dec. 13, 1954, p. 919.

² For texts of notes, see *ibid.*, Oct. 4, 1954, p. 478.

³ *Ibid.*, Sept. 20, 1954, p. 396.

Following upon the initiative of the United States, the United Nations is sponsoring a conference on the peaceful uses of atomic energy. This will be held next year and should develop clearly the current state of peaceful atomic energy technology.

The President has authorized the Atomic Energy Commission to allocate 100 kilograms of enriched uranium of nonweapons grade for use in research reactors which foreign countries may construct. The British have also generously announced their intention to allocate 20 kilograms of such material. Such reactors would greatly augment the world's peaceful research capabilities. The allocation of this material probably constitutes the single most important step which the United States has taken to implement its firm support for international cooperation to develop quickly the peacetime benefits of atomic energy.

An essential part of this program for international cooperation is the authorization given by the 83d Congress in amending the Atomic Energy Act to permit the United States to provide information and fissionable material, under appropriate safeguards, to other countries for nonmilitary uses.

This assistance in the construction of research reactors is but one of the interim programs which the United States is undertaking during the period while the Agency is being formed.

In order that nationals of other countries may develop nuclear skills, the Atomic Energy Commission is setting up a reactor training school which will be open to qualified engineers and scientists. The Department of State will shortly transmit to our diplomatic missions abroad instructions as to applications for such training.

A special course in radioisotope techniques for scientists from overseas will be offered next May at the Oak Ridge Institute of Nuclear Studies.

In addition, training programs and courses in the utilization of atomic energy in biology, medicine, and agriculture will be offered next year at various institutions throughout the United States to qualified foreign students. Through technical cooperation programs, special arrangements are being made to supply this type of assistance to individuals from underdeveloped areas.

Collections of all unclassified and declassified information on atomic energy which has been published by the United States Government are being made available to other countries.

I might add that not only the Government but American private and philanthropic groups are interested in furthering international development of the atom for peace.

One example of such cooperation is given by the group of citizens who set up the Eisenhower Exchange Fellowship Program a year ago. I understand that, in the allocation of its resources in the coming year, this program will begin to coordinate with some of the foregoing activities.

It is particularly gratifying to see how the President's proposal has called forth many offers of materials and other support from other nations. We value, as well, the backing pledged by many nations in their statements wishing us well in this venture which may in due course increase production and bring increasing well-being to the underdeveloped areas of the world. This is in keeping with the great American tradition of finding new ways whereby a free society can enrich human life materially, intellectually, and spiritually and can share those fruits of liberty with men everywhere.

This, then, is an accounting of our efforts during the past year to implement President Eisenhower's historic "Atoms for Peace" proposal. We will continue to strive "to help solve the fearful atomic dilemma—to devote [our] entire heart and mind to find the way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

REMARKS BY LEWIS L. STRAUSS CHAIRMAN, ATOMIC ENERGY COMMISSION¹

On an occasion such as this, it would be appropriate under ordinary circumstances to begin with a quip or anecdote, but I am ill suited for it today. It is a sad week for me—for all of us in the Atomic Energy Commission. At this very hour in the Rockefeller Chapel of the University of Chicago, I understand that memorial services for one of the great men of our age are being solemnized. In the early hours of Sunday morning [November 28] the telephone beside my bed in Virginia rang to bring me the tragic news of the death of Enrico Fermi.

This great man, who had lived in your midst with the utmost modesty for the past 15 years, was

¹ Made before the Executives' Club of Chicago, Ill., on Dec. 3 (Atomic Energy Commission press release).

the true architect of the Atomic Age. We shall no longer be able to show him any recognition for the fact that he had been in the forefront of the march of human knowledge for more than 30 years, or for the fact that his contributions to theoretical and experimental physics enabled free men to hold Communist tyranny at bay for the last 9 of those years.

Just a dozen years ago yesterday a pile of graphite blocks and uranium billets which he had put together under the stands at Stagg Field became the first atomic reactor. Today there are more than two score of them, of one design or another, in our country. One, installed in the submarine *Nautilus*, will soon be driving her through the deep at hitherto undreamed-of standards of performance. Another, now building at Shippingport, Pennsylvania, will be delivering at least 60,000 kilowatts of electrical energy to light the homes and turn the wheels in that industrial area. These are only prototypes of many, many more to come.

I had the great good fortune to know Fermi for 16 years. In the late thirties he helped me in an attempt to make radioisotopes cheaply so that they would be available for cancer therapy to replace scarce, expensive radium. Thanks to the discoveries which he made, such isotopes are now not only very cheap but plentiful, and medical researchers have them in abundance and great variety to aid their attack on cancer and other dread diseases. It is tragic to think that, had Enrico Fermi been spared but a few more years, his life might have been saved by medical advances stemming directly from his own great achievements.

I had the sad privilege on yesterday of delivering to his widow the award voted to him some days ago as a tribute from his grateful fellow citizens represented by the Atomic Energy Commission with the approval of President Eisenhower. In future years these awards will be known as the "Fermi Prize." Besides perpetuating his name, which of course needs no action of government as a memorial, it is our hope that they may stimulate and encourage others to go forward into the unknown reaches of knowledge, to explore, to chart, to call up their followers, to instruct them, and then to press ahead again. Like the Italian navigator to whom he was compared 12 years ago,⁵ Fermi, as did Columbus, found a new continent—

more than continent, a new world. Those of us he leaves upon its beachheads cannot do otherwise in the presence of his example but penetrate the interior and develop the riches he opened up for the good of all men everywhere.

Time for Inventory

This being the last month of the year, it is an appropriate time for stocktaking and inventory. We might profitably pause long enough for a trial balance of the ledger on the 12 years of experience since Fermi's first atomic pile made the instruments chatter as they recorded the generations of neutrons born of the first chain reaction.

In the 12 years, we have on one side of the ledger appropriations of public funds in the neighborhood of 14 billion dollars for the whole atomic energy project in war and peace. To balance this we have vast plants, great discoveries, and vital stockpiles of weapons and fissionable material. These weapons have indeed been the first and paramount concern of the Atomic Energy Commission, and many people think that the production of bombs is all that there is to show for the gigantic expenditure of treasure and effort. A good case could be made for the fact that this would be well enough were it indeed the whole story, but it is not. I would like to give you a quick preview of some of the other items on the credit side of the ledger. They are growing so rapidly in number that the ink is scarcely dry in recording one before another is ready for entry. From among those I shall list, we will arbitrarily omit specific reference to medical progress—itsself worth perhaps all that has been spent—in order to concentrate on fields that might conceivably be of specific interest in this great capital of agriculture and industry.

Much has been said and written about electrical energy from the atom, but a strong economy depends on many factors other than plentiful power. For example, a recent publication of the Department of Agriculture states that crop production losses, due to all causes, average "about \$13 billion worth of goods per year, nearly one-third of the potential production. Some 120 million fewer acres of cropland . . . would have produced the 1942 to 1951 volume of food, feed, and fiber production if all these causes of loss had been eliminated."

We all know of the splendid job that the Department of Agriculture has done and is doing

⁵ For an account of Mr. Fermi's role in the 1942 experiment, see BULLETIN of Oct. 25, 1954, p. 607.

through education and research to reduce these losses. One of the causes of agricultural loss most difficult to combat is disease—plant disease. One of the methods which shows great possibilities in this line is the production of mutants of crops which are resistant to disease. These mutants can be produced by radiation.

Experiments with radiation designed to produce such beneficial mutations in plants have been carried on successfully in the laboratories of the Commission at Brookhaven, Long Island, and elsewhere. There has been notable success in the development of a strain of oats which is resistant to the disease known as rust. Rust-resistant oats, if they can be perfected for more species, will be a potential saving for the American economy in excess of \$50 million per annum. For the purposes of our imaginary balance sheet, we might capitalize this at 3 percent and set up a sound asset of \$1½ billion.

Other researchers are working on other cereal and leguminous crops. Some who are familiar with what is going on foresee our entire investment in atomic energy returned many times over in its effect on agriculture alone. As instances, we might note two of many—I am told that our tomato crops suffer a great annual loss in yield due to the disease known as wilt. It has been found that by using a proper localized dosage of irradiation at least one generation of wilt-resistant tomato seedlings can be produced. And here in Chicago, the meat-packing center of the world, some of you, I am sure, already know that pre-packaged meat products, if exposed to mild gamma-ray pasteurization, can remain in the grocer's stock for nearly 21 days instead of 3. Studies show that a complete facility for this purpose could be built for considerably less than three-quarters of a million dollars. If financed with 6 percent money, a charge of a small fraction of a cent per pound of the irradiated product would suffice to amortize it in 5 years.

The item next on the credit side is a very large one. This is the "Atoms for Peace" plan of President Eisenhower, the proposal which he made to the General Assembly of the United Nations just a year ago next week. Ever since we first suggested atomic energy cooperation for the mutual benefit of nations as an alternative to war, and ever since we offered to give some of our technical know-how and to make available some of our material atomic wealth to other countries, the Com-

munist world has belittled and distorted our suggestions and our proposals. The Soviets charged that our proposition was not and would never be specific; and, while they filibustered the discussions concerning atomic cooperation, they denounced us by saying that we were trying to narrow the scope of our offer and that it had been insincere in the first place.

U.S. Offer of Fissionable Material

Then about 2 weeks ago we offered to earmark 100 kilograms of fissionable material for use by other countries.⁶ You may perhaps be interested to know what can be done with 100 kilograms of such material. There has been considerable speculation as to what it could do for the countries that may eventually receive it. Having heard some mistaken statements, this may be a good place to put the figures into proper perspective. In the first place, the fissionable material which we will provide will not be of weapons grade. It will be in a form particularly suitable for peaceful application.

One of the best examples of peaceful use of this 100 kilograms of fissionable material would be as fuel for research reactors. There is a particular research reactor which might be of special interest to you because it is located not very far from here, and it is in the public eye today.

I speak of the research reactor known as CP-5. We perhaps overindulge in code names. CP-5 means Chicago Pile No. 5 at the Argonne Laboratory. The distinguished director of the Laboratory, Dr. Walter H. Zinn, under whose wise and devoted supervision this reactor has been designed, constructed, and operated, is here with us today. This is a significant occasion for the CP-5 because the Commission is making the first announcement that we have removed the security restrictions as to access which have surrounded it. The CP-5 reactor has been, in the main, declassified; and pertinent information concerning its construction and operation will be available. This is another example of the efforts of the Atomic Energy Commission to make atomic energy facilities more accessible to American industry. During the past 6 months, while still under security requirements many irradiation services have been carried on in the CP-5 for both universities and industry; but now we expect that much more use can be made of this modern research instrument.

⁶ *Ibid.*, Nov. 29, 1954, p. 836.

Other countries could use allocations from the 100 kilograms of fissionable material in research reactors like the CP-5, which is fueled with aluminum-clad uranium, enriched in the isotope 235, and cooled and moderated with heavy water. This combination of materials permits the realization of a high neutron flux, which is an important feature of a research reactor. Fortunately this high flux is obtained at a modest rate of fuel consumption. Even with such economy the Argonne reactor is surpassed only by our Materials Testing Reactor in Idaho; and we believe that it exceeds, in effectiveness, any research reactor overseas.

Our people estimate that 100 kilograms of uranium 235 is sufficient to provide the critical inventory for 15 such reactors and to keep them in operation approximately 5 years and still have almost two-thirds of the fuel inventory unconsumed.

These 15 reactors would multiply many times the research reactor capabilities of the free world, excluding the United States. Each of them could produce more radioisotopes of varied types than are presently needed by Holland or Switzerland or Belgium or, for that matter, any country in the world.

One of the most important assets of this tool is its versatility. The high neutron flux created inside the octagon-shaped reactor is employed by placing objects to be irradiated into one of the more than 50 apertures which penetrate its eight sides and top. By using just one of these more than 50 access holes, a radioactive cobalt source of, say, a thousand curies could be made each year. This would be equivalent to 1,000 grams of radium, which used to sell for \$30,000 per gram. All of you must have heard of the use of radiocobalt as a gamma-ray source in combating cancer.

Irradiation of one ounce of gold, which would occupy a very small part of the available space in another of the pile apertures, would provide enough radioactive gold, when placed in colloidal suspension, to treat many scores of patients for malignancies. And even the spent fuel elements from this type reactor have valuable service to perform. They can be placed into a facility so that the gamma radiation which they emit can be used for the pasteurization and sterilization of foods. For instance, such a facility would kill the trichinae in pork and, it is believed, will preserve other food products for extended periods.

Carbon 14, a radioactive form of carbon, can

be produced in such a nuclear reactor. This isotope has proved to be extremely useful in biological research because all living organisms, plant and animal, are composed of 30 to 40 percent carbon. Plants are being grown in specially designed greenhouses in which the air is arranged to contain enriched amounts of carbon 14 in the form of carbon dioxide. All of the carbon compounds—sugar, amino acids, proteins, and fats—formed by the plants grown under such conditions are radioactive. This technique is being used in connection with a currently much-debated subject. Tobacco plants have been used to produce radioactive cigarette tobacco and tobacco compounds. These are employed as tracer tools in medical studies to further our knowledge of the effects of tobacco on the organism. I am sorry that there are as yet no final results with which to enlighten those who, like myself, enjoy smoking.

The CP-5 type reactor can also be used for radiation physics measurements; studies of the nuclear properties of matter; reactor engineering experiments to develop better materials and instruments for future reactors; and for medical therapy, both by direct use of external beams and by producing sources for such use elsewhere. Such reactors can also be training centers for the education of new operators and scientists to advance nuclear technology. We have already noted that they can be producers of radioisotopes for uses too numerous to mention.

But the most remarkable point to remember is that just one of these reactors will put a country into business in all of these fields. And lest you think that such a versatile piece of equipment as the CP-5 reactor is fabulously expensive, the total cost (exclusive of fuel and moderator) for the reactor, the reactor building, and the associated laboratories is only about \$2¼ million. It might be considerably less expensive in countries where construction costs are lower. Some types of research reactors may indeed be built for sums measured in hundreds of thousands rather than millions of dollars.

I have consumed so much of your time with this major item on the credit side of our balance sheet that we can only glance momentarily at other industrial uses. One of my colleagues a few weeks ago calculated that these uses were already saving American industry a \$100 million annually. This results from applications in thickness, quality, and wear gauging and control devices, in pipeline and

cracking plant applications, in gamma-ray radiography of castings to locate flaws, in fertilizer and insect controls, in catalytic functions. The list is long and is growing almost daily as new applications are discovered. Under the new Cole-Hick-enlooper Act, native American inventiveness will in 5 years be free to develop in the atomic energy field almost as easily as in other areas, and we can look for even more momentum to develop as that day approaches.

When the Commission began 8 years ago, atomic energy was not only a Government monopoly but a military province with no early promise of large-scale peaceful application. Eight short years have seen a phenomenal change. American industry has moved into the field with boldness and resolution and with confidence based upon the sound technology of many resourceful research organizations. I believe that the next 8 years will bring an accelerating increase in both discovery and application. We are just at the early dawn of the new age and, if we can find the means of avoiding war, we will go forward into a period of prosperity and good works such as men have never witnessed nor scarcely even imagined.

Strengthening Man's Hope for Peace on Earth

Remarks by the President¹

Christmastide is a season of hope—of heartening hope—for peace on earth, good will among men. This year, even as two thousand years ago, when the Prince of Peace was born into the world, the drums of war are stilled. In their silence, after a whole generation of almost ceaseless beating, many people—already become fathers and mothers—enjoy the first peaceful Christmas they have known. So mankind's unquenchable hope for peace burns brighter than for many years.

Our hope, true enough, is blemished by some brutal facts.

Oppression, privation, cruel suffering of body and mind imposed on helpless victims—these scourges still wound in too many places the daily living of mankind.

Even at this happy season, we dare not forget crimes against justice, denial of mercy, violation

¹ Made at the lighting of the National Community Christmas Tree, Washington, D. C., on Dec. 17.

of human dignity. To forget is to condone and to provoke new outrage.

Neither dare we forget our blessings. To count them is to gain new courage and new strength, a firmer patience under test and a stouter faith in the decency of man and in the providence of God.

Among the greatest of man's blessings this Christmas is his strengthened hope of lasting peace. But hope without works is the prelude to disillusionment. They whose cause is just must be prepared to meet the harsh challenge of inertia, privation, despair, statism, materialism. This bright Christmas must not be followed—ever—by a Christmas of universal tragedy.

We Americans know that a mighty part of promoting and serving peace is ours to do.

With our friends, we must enlarge the design of our partnership so that we who marched together in evil days when war and fear of war darkened the earth shall enjoy together in days of light the rich rewards of a secure and stable era.

There are some who have believed it possible to hold themselves aloof from today's worldwide struggle between those who uphold government based upon human freedom and dignity and those who consider man merely a pawn of the state. The times are so critical and the difference between these world systems so vital and vast that grave doubt is cast upon the validity of neutralistic argument. Yet we shall continue faithfully to demonstrate our complete respect for the right of self-decision by these neutrals. Moreover, because they hate aggression and condemn war for conquest, even as we, there is provided a strong foundation upon which we can proceed with them to build mutual understanding and sympathy.

Now, with those who stand against us, in fear or in ignorance of our intentions, we have chosen the hard way of patient, tireless search in every avenue that may lead to their better understanding of our peaceful purposes. They know, as well as we, that the world is large enough, the skills of man great enough, to feed and to clothe and to house mankind in plenty and in peace. This universal knowledge could be the fruitful beginning of a prosperous life together.

America speaks from strength—strength in good allies, in arms, in readiness, in ever-increasing productivity, in the broader sharing of the abundant fruits of our economy, in our unchanging devotion to liberty and to human justice. Her voice is for peace based upon decency and right.

But let no man think that we want peace at any price, that we shall forsake principle in resigned tolerance of evident evil, or that we may pawn our honor for transitory concession.

At this Christmas season, America speaks too in humble gratitude for the friendship of peaceful peoples across the world. Without their warm confidence and faithful partnership, this earth would be a bleak ground of aimless and endless clash and conflict.

And America joins with all believers of every faith in a prayer of thanks and a plea that, whatever lies ahead, we may be strong and courageous and wise in the doing of our own task in accord with the Divine will.

To all the dwellers of the earth, I speak for this Republic—and directly from the heart of every one of its citizens—when I say that this nation prays for you, all of you, the fullness of the Christmas spirit, peace and good will.

NATO Council Meeting

Statement by Secretary Dulles

Press release 718 dated December 14

I am leaving for Paris to attend one of the regular semiannual meetings of the North Atlantic Council. Also present there will be the Secretary of the Treasury, Mr. Humphrey; the Deputy Secretary of Defense, Mr. Anderson; and the Director of Foreign Operations, Mr. Stassen.

At this meeting we, with our friends and allies, will check on the progress made and look to the future. We will do so in the light of the "long haul" concept which was adopted 20 months ago and which was designed to assure strength at a cost which we could afford to live with for the considerable time that may be necessary.

This meeting, like preceding meetings, will emphasize the defensive character of NATO. What we do at NATO need cause no alarm for any peace-loving country. We would indeed be glad if the attitude of others was such that we did not have to be steadily thinking about developing the strength of the North Atlantic Treaty Organization. However, until we see dependable signs of change in the aggressive and expansionist mood of the international Communists, we must not relax our efforts. We shall neither be intimidated

nor lulled into a false sense of security. We shall patiently and steadily persist in measures of collective security.

Accord Reached on U.S.-Philippine Trade Negotiations

JOINT STATEMENT OF DECEMBER 15

Press release 717 dated December 14

The United States Delegation and the Philippine Economic Mission, after less than three months of continuous negotiation, have reached agreement on a revision of the 1946 Trade Agreement to be recommended to the Congresses of their two countries.¹ Notwithstanding honest differences of opinion between the Delegations on several of the issues involved, and despite their vigorous presentation by each side, agreement was reached in a relatively short period because of the spirit of friendship and goodwill which persisted throughout the negotiations.

The agreement reached underscores the desire of both nations to put their trade relationship on a more normal and stable basis. This Agreement:

1. Yields to the Philippines control over its own currency by eliminating Article V thereof;
2. Eliminates most absolute quotas on Philippine articles entering the United States;
3. Eliminates quota allocation limitations on Philippine articles subject to quotas in the United States;
4. Makes the enjoyment of parity rights by citizens of either country in the territory of the other reciprocal;
5. Makes imposition of quantitative restrictions on the products of both countries reciprocal;
6. Gives to citizens of either country the right to engage in business activities in the territory of the other on a reciprocal basis;
7. Provides security exceptions in the mutual interest of both countries;
8. Increases tariff preferences for Philippine articles entering the United States;

¹ Copies of the final act of the negotiations may be obtained from the News Division, Department of State, Washington 25, D. C.

9. Decreases tariff preferences for United States articles entering the Philippines;

10. Eliminates the prohibition against the imposition of Philippine export taxes;

11. Provides for elimination of the Philippine exchange tax and the dual rate of exchange it creates by substitution of an import levy to be progressively reduced and eliminated;

12. Permits the Philippines to ask the United States Congress for possible increases in the sugar quota when other nations are permitted to do so; and

13. Increases duty-free quotas on Philippine articles which are subject to declining duty-free quotas in the United States.

It is hoped that with these changes the Philippines will sooner succeed in attaining a better balanced economic status as a free nation. It is also hoped that these changes will further strengthen the friendly and mutually beneficial political and economic relations between the two peoples.

JOSÉ P. LAUREL, *Chairman*
Philippine Economic Mission to the United States

JAMES M. LANGLEY, *Chairman*
United States Delegation for Philippine Trade Negotiations

REMARKS BY WALTER S. ROBERTSON
ASSISTANT SECRETARY FOR FAR EASTERN AFFAIRS²

Press release 719 dated December 15

Nearly 3 months ago, it was my privilege to welcome you, Senator Laurel, and the other distinguished members of the Philippine delegation and to extend to you the warm greetings of President Eisenhower and Secretary Dulles.³ At that time, I said that my Government was ready to give sympathetic consideration to the proposals which the Philippine Government might wish to advance and I expressed confidence that the discussions would be frank and cordial and that the outcome would represent the best interests of our two countries.

We have met today to witness the signing, by the chairmen of the Philippine and the United

² Made at the signing of the agreement on Dec. 15.

³ BULLETIN of Oct. 11, 1954, p. 542.

States delegations, of the agreement which the delegations have reached after nearly 3 months of discussions. I heartily congratulate the chairmen and members of both delegations for the completion of their difficult and important task, the development of a plan for the revision of the Philippine Trade Act which will now be referred to the United States and Philippine Governments for further action. It will be the responsibility of the chairmen to comment about the nature of the agreement. I should like to emphasize only one aspect of the discussions but an aspect which is of great importance to both of our countries namely the atmosphere of friendship and sympathetic understanding in which the discussions were carried on. Differences of opinion have been resolved in a spirit of mutual respect and confidence. Entirely apart from the important substantive points about which agreement has been reached the manner in which this has been accomplished cannot fail, I believe, to make even stronger the ties of friendship which unite our countries.

It has been a great pleasure, Senator Laurel to have you and your distinguished associates as guests in our country. As you return to your country, I bid you Godspeed. Both personally and on behalf of my Government, I assure you of a warm welcome when you visit us again—which I hope will be very soon. And to Mr. James M. Langley, the distinguished and able chairman of the American delegation, I wish to express on behalf of Secretary Dulles our deep appreciation for his tireless, selfless, and dedicated services.

U.S. Policy of Granting Asylum to Victims of Oppression

TEXT OF DECEMBER 8 NOTE TO POLAND

Press release 700 dated December 7

Following is the text of a note delivered on December 8 by the United States Embassy at Warsaw to the Polish Foreign Office regarding the Polish ships Praca and Gottwald.

The Embassy of the United States presents compliments to the Ministry of Foreign Affairs and refers to its note of November 20, 1954. The United States Government again rejects as with-

out basis in fact the version contained in that note of the interception of the Polish-flag vessels *Praca* and *Gottwald*. The United States had no connection with this action or with the decision of so many crew members from these ships to seek asylum.

These vessels were intercepted by the naval forces of the Republic of China. If the Polish Government is genuinely interested in pursuing this matter in a practical way rather than in dispatching a series of notes purely for propaganda purposes, it could seek a solution of this issue with the Government of the Republic of China through diplomatic channels.

The note of the Polish Government refers to the presence in the area of the Island of Formosa of aircraft of the United States Navy. These United States aircraft operate in conjunction with the Seventh Fleet of the United States Navy, which has been ordered by the President of the United States to patrol the waters around Formosa in order to prevent an attack on that island. The mission of the Seventh Fleet has been and will continue to be to contribute to the security of the Far East. The United States reaffirms its intention to devote its efforts to the maintenance of peace and stability in that area and hopes that other governments will contribute their efforts to the same end.

In discussing the decision of the officers and crew of the two vessels to seek asylum in the free world, the Polish Government's note reveals its concern that large numbers of Poles have fled from their homeland. Many of these people who have escaped from political and religious persecution in Poland, or have refused to return there, have sought asylum in the United States. The United States Government, true to its traditional policies of granting asylum to those suffering from oppression, has welcomed and will continue to welcome persons such as the Polish officers and seamen from the *Praca* and *Gottwald* who sought refuge in this country.

POLISH NOTE OF NOVEMBER 20

In its notes of October 12¹ and 26, 1953, concerning the seizure of the Polish merchant vessel *Praca* by warships on the waters of the Far East, controlled by the United States Armed Forces, and its detention together with the

entire crew on the island of Taiwan, and in its note of May 15, 1954,² concerning a similar illegal act involving another Polish merchant ship, the *President Gottwald*, the Government of the Polish People's Republic made reference to a number of facts proving the responsibility of the United States for those acts of attack and violation of the rights of the Polish flag.

The Polish Government emphasized, in particular, that the mentioned ocean area was under the control of the United States Armed Forces and that units of the Chiang Kai-shek clique, entirely subordinate to the United States, were committing piratical assaults in that area, aimed against peaceful navigation, directed against peaceful and international communication, and intended to evoke tension in international relations.

Unable to deny these irrefutable facts, the United States Government preferred to limit itself, in its notes of October 20¹ and November 3, 1953, to a proofless refusal to accept any responsibility for the above-mentioned acts of violence. This does not by any means change the fact that the Chiang Kai-shek clique, which executed the acts of violence and which has been denounced by the entire Chinese nation, could commit these deeds only under the patronage and support of the United States.

In its above-mentioned notes the Government of the Polish People's Republic protested against the illegal acts, the victims of which were Polish seamen and Polish ships, and demanded that the United States Government undertake appropriate steps in order for the seized crews, vessels, and cargoes to be released immediately and returned to Poland.

However, despite demands on the part of the Polish Government and protests by the Polish people, families of the imprisoned seamen, and numerous international organizations, the crew of the *President Gottwald* has been kept in custody for 6 months and deprived of the possibility of returning to their fatherland and their families. Like the crew of the vessel *Praca*, the crew of the *President Gottwald* has also been subject to brutal pressure and attempts at corruption; like criminals, they are being held under guard of police equipped with automatic weapons. An atmosphere has been created which leads the sailors to acts of desperation, the suicide of one of them being a glaring confirmation of this.

The aim of all these brutal thugs is to destroy the morale of the seamen and to force from them a decision to break faith with their fatherland. The copy attached to the note—the original of which is in the hands of the Polish Government—of a statement³ by the seamen of the *Praca*, who as a result of the prolonged efforts of the Government of the Polish People's Republic and the aid of the Swedish Red Cross have returned to Poland, is convincing proof of the pressure put on the Polish seamen and the leading role in this action of the representatives of the United States, including the Ambassador of the United States to Taiwan.

Recently the seamen of the *President Gottwald*, physically and morally maltreated, turned to the International

² For the U. S. rejection of the May 15 allegations, see *ibid.*, May 31, 1954, p. 824.

³ Not printed here.

¹ BULLETIN of Nov. 9, 1953, p. 640.

Red Cross with a request for aid in obtaining freedom and in repatriation to Poland.

The behavior of the Government of the United States and its subordinates is a glaring violation of the universally obligatory principles of international law and the elementary rights of personal freedom, whose slogans the United States politicians fence with so willingly.

An additional and striking confirmation of the role of the United States authorities in the action against the Polish seamen is the latest act of recruiting, by means of moral pressure and terror, and transporting to the United States a group of Polish seamen only for the purpose of using them as compliant tools in the anti-Polish propaganda, which is not very fastidious in its methods.

Protesting categorically against these methods, which are contrary to international law, the Government of the Polish People's Republic repeats its demands for the release of the seamen held on Taiwan, the return of the *Praca*, and *President Gottwald* and their cargoes, and the punishment of those guilty of the illegal acts.

Results of Inter-American Economic Conference

Following is the text of a statement made by Under Secretary Hoover, vice chairman of the U.S. delegation to the Meeting of Ministers of Finance or Economy (November 22–December 2), on his return from Brazil, together with the final declaration approved unanimously at the closing session of the Conference.

STATEMENT BY MR. HOOVER

Press release 696 dated December 5

We have just returned from the Rio Conference of Ministers of Finance or Economy in Brazil.

The United States delegation and I believe that this Conference represents a notable milestone in the strengthening of the traditional ties of friendship and cooperation between the United States and the neighboring Republics of Latin America.

Underlying the economic and financial work of our delegation was the firm determination of the 21 countries to work together, in the words of President Eisenhower, as "good partners."

Many resolutions were passed at this Conference. Among them were decisions to study transportation, to work together to improve harbor facilities, to cooperate in lessening the barriers to maximum flow of trade and commerce, to improve the development of resources, and to expand travel

between our countries. These were practical decisions which will produce tangible, constructive benefits to all.

These decisions depended upon certain basic principles that were uppermost in all of our minds. It was recognized that, first, by working more closely together, we could strengthen the ties between our countries and, second, that private enterprise and sound economic practices would benefit all our peoples.

The one message I would like to bring from the people of Latin America is to express the spirit of friendship and cooperation which is felt toward our country. I have been in every country of Latin America and have spent much of my life working there. Never have I seen this spirit of good partnership more in evidence than at the Conference from which we have just returned.

TEXT OF FINAL DECLARATION

[Unofficial translation]

We leave this Conference with the satisfaction of having proved that the American nations here represented are in complete agreement as regard their great objectives in the economic field. These may be summarized as a determination to speed up the progress of each and every one of them within the framework of freedom and justice through substantial intensification of our inter-American economic, financial, and technical cooperation.

Naturally, in analyzing the means for obtaining the goal which we are unanimously seeking, there were differing points of view as to the most adequate measures for reaching the common objective. We were glad to see the energy and frankness which characterized the discussions. Not one delegation failed to present carefully thought-out projects. The energy with which the representatives of the several governments upheld their respective points of view demonstrated the absolute independence of thought prevailing in this hemisphere and the interest felt by the governments in promoting the welfare of their peoples.

The discussions showed also that all the American nations are resolved to grapple with economic problems with the same fervor and resolution with which on different occasions they have attacked common political problems. Further, the American family of nations demonstrated a clear real-

zation of the imperative necessity that the principle of economic cooperation set forth in article 26 of the Charter of the Organization of American States become a more palpable reality in order that by close fraternal cooperation, always with scrupulous respect for institutional differences, each can assure that the common effort to conquer the want now afflicting great masses of people in this hemisphere may produce maximum results.

We are convinced that the results of this economic conference justify holding others of the same kind; and, furthermore, the progress which we have here jointly achieved augurs that this meeting will be the first of a series in which at regular intervals the American Republics meet together to weigh the progress which they have achieved separately and collectively in strengthening this great agricultural, industrial, and financial structure which we are raising in the hemisphere and under whose protection we shall progress toward that life to which our natural and human resources give us the right to aspire.

We wish to express our gratitude for the technical cooperation given us during the meeting by the Technical Secretary of the Inter-American Economic and Social Council, the Economic Commission for Latin America, the International Bank for Reconstruction and Development, and the International Monetary Fund.

We take pleasure in announcing that we have agreed to recommend to our governments that the next meeting of Ministers of Finance or Economy be held at Buenos Aires in 1956.

Development Assistance Agreement Signed by U.S. and Guatemala

Press release 715 dated December 13

The Department of State announced on December 13 the signing of a Development Assistance Agreement between the United States and Guatemala. The agreement sets forth certain understandings governing the furnishing of U.S. economic assistance to Guatemala. This is in addition to the assistance provided under the technical cooperation program, which is being carried out pursuant to the General Agreement for Technical Cooperation, signed in Guatemala City on September 1, 1954.

Henry F. Holland, Assistant Secretary of State

December 27, 1954

for Inter-American Affairs, signed for the United States and Lt. Col. José Luis Cruz-Salazar, the Ambassador of Guatemala, signed for Guatemala.

Under the agreement the United States will be able to furnish certain extraordinary assistance to Guatemala in accordance with specific project arrangements to be signed by the two Governments. Included among the specific projects now ready for signature by both Governments is the allocation of approximately \$3 million to assist the Guatemalan Government to complete the important Pacific Slope Highway.

The Foreign Operations Administration and the Department of State jointly announced on October 30 that \$6,425,000 was being made available to Guatemala. Of this, \$1,300,000 was to be for technical assistance, \$1,425,000 for the Inter-American Highway, \$500,000 for the Roosevelt Hospital, and \$3,200,000 for unspecified development projects.

Normal Diplomatic Relations Resumed With Honduras

Press release 720 dated December 16

The U.S. Government on December 16 reestablished diplomatic relations with Honduras. This was done by a note from the American Embassy at Tegucigalpa, which was in reply to a cable sent the Secretary of State by the Honduran Foreign Minister on December 6 stating that all public powers had been assumed on that date by Julio Lozano Diaz in the capacity of Supreme Chief of Honduras.

The note transmitted today to the Honduran Government expressed confidence in the continuance of the traditionally friendly relations which have so long existed between the peoples and governments of the United States and Honduras.

Arrangements for Participation in Iranian Oil Consortium

Press release 706 dated December 7

The Department of State announced on December 7 that the five American oil company members of the Consortium, which recently concluded an agreement with Iran for the production and sale

of Iranian oil,¹ are prepared to transfer, at cost, a portion of their participation to other American oil companies which meet certain requirements. This is in line with the understanding reached last year, when the possibilities of an agreement between Iran and the Consortium were first considered, that it would be desirable to provide an opportunity for additional American oil companies to participate in the Consortium in the event negotiations between Iran and the Consortium reached a successful conclusion. The agreements which have been executed make it possible to carry out that understanding.

The agreement between the Imperial Government of Iran and the National Iranian Oil Company, on the one hand, and the Consortium of eight oil companies, on the other, became effective October 29, 1954. The Consortium members also entered into agreements among themselves, effective the same day, relating to their respective share percentages in the Consortium, including the minimum amount of crude oil and refined products each will take or pay penalties for failure to take, capital outlays, the conduct of operations, and the like. Under these agreements, five American oil companies, namely, Gulf Oil Corporation, Socony-Vacuum Oil Company, Inc., Standard Oil Company (New Jersey), Standard Oil Company of California, and the Texas Company, each acquired an 8 percent interest in the Consortium.

The agreements provide, among other things, that within 6 months from October 29, 1954, the five American members of the Consortium may each transfer up to one-eighth of its participation in the Consortium to one or more other established American oil companies (or to an American company formed by such other companies) which satisfy the requirements specified in the agreements (paragraph 21, Participants Agreement). Important requirements are that each additional participant possess sufficient responsibility to, and does, assume its proportion of the obligations arising under the agreements and that the Government of Iran give its consent in writing to the transfer of an interest to such company. If transfer is made to more than one eligible company, such companies will be treated for all the purposes of the agreements as a single participant

¹ BULLETIN of Aug. 16, 1954, p. 230.

and will be required to appoint a common agent to act for all of them in all matters relating thereto, provided that each such eligible company will have the right to dispose freely and individually of its share of Iranian oil. If applications by eligible companies exceed the total which is available for subscription, such companies also will be expected to agree among themselves as to the portion which each is to subscribe.

The right of the five American members of the Consortium to make transfers under this provision of the agreements will expire April 29, 1955. In view of the desirability of securing the judgment of a qualified and disinterested party on the responsibility of applicants and in view of the time element involved, any established American oil company interested in acquiring a participation in the Consortium should file certain information with Price Waterhouse & Company on or before January 22, 1955. General information as to the cost and other obligations incident to participation, together with an outline of the information which should be filed with Price Waterhouse & Company, can be obtained from that firm at 56 Pine Street, New York, N. Y. Price Waterhouse & Company will not publish the name of any company supplying information or divulge the information supplied. The firm will, however, determine whether any interested company possesses the responsibility to undertake the obligations required to be assumed in connection with the participation it seeks.

For any company found by Price Waterhouse & Company to possess the required responsibility, the Department of State will lend its facilities in obtaining a determination as to whether the Iranian Government would be willing to approve such company as a participant in the Consortium.

Each such company that meets the necessary requirements will then be afforded an opportunity to study the agreements involved before deciding whether or not it desires to acquire an interest. The companies which decide to acquire an interest will be expected not later than April 1, 1955, to agree upon the manner in which they will be organized and be represented in the Consortium. Thereafter, the five American members of the Consortium will arrange, in conjunction with such companies, the transfer of interest.

Transfer of U. S. Submarine to Italian Navy

Remarks by C. Burke Elbrick
Deputy Assistant Secretary for European Affairs¹

It is a great honor for me to represent the Secretary of State on this important occasion. His Excellency, the Ambassador of Italy, is with us here to receive on behalf of his Government the U. S. S. *Barb*, the first of two submarines being delivered to the Italian Navy to provide training for Italian units in antisubmarine warfare. The Congress of the United States has specifically authorized the President to lend these vessels to Italy for this purpose.

The presence here of the Italian Ambassador, Signor [Alberto] Tarchiani, and of Admiral Robert B. Carney, Chief of Naval Operations and formerly Commander in Chief of the NATO Forces Southern Europe, exemplifies, as it were, the foreign policy objective of both Italy and the United States to join together with the free countries of Western Europe in measures for common defense against totalitarian aggression. The bulwark of this defense is the North Atlantic Treaty Organization. The transfer of this ship today is but one of many acts our two Governments have been taking to develop and to strengthen further this defense system, which is already a powerful deterrent to aggression.

No one familiar with the history of the Italian *Risorgimento* can be surprised to find present-day Italy in the forefront of the common defense of the civilized community of nations. By their own historical experience, Italians know that divided states cannot withstand the aggressive force of organized power. The Italian people have developed a great consciousness of the true necessity of political unity and of the fact that no member of the free world community can stand alone today. Based on the recognition of this national feeling, the Italian Government is playing a leading role in promoting the economic, political, and military integration of Western Europe. Moreover, the Italian people are increasingly aware of the dangers which external aggression poses to their great

spiritual heritage. This realization further strengthens their determination to resist Soviet propaganda blandishments and to join with the NATO countries in collective security arrangements.

Italy and the United States are partners in these security arrangements, and the transfer of the U. S. S. *Barb* today is new evidence of this close partnership as well as of the many traditional ties which bind our countries together. In this common endeavor lies our mutual self-preservation.

I note that the Italian officers and crew which will take this ship to Italy are here with us today. I hope their stay in the United States has been a pleasant one. I know they will take back to Italy more than the technical knowledge acquired here. I am sure that they will take back with them the strong friendship, esteem, and good will which this country feels for Italy.

I wish them a pleasant voyage and success in future missions.

Joseph Dodge Named Chairman of Council on Foreign Economic Policy

White House press release dated December 11

On December 11 the White House made public the following letter from President Eisenhower to Joseph M. Dodge.

MY DEAR MR. DODGE: It is my desire that we proceed as rapidly as possible to bring about improvements in the organization of the Executive Branch for the development and coordination of foreign economic policy, including its relation to domestic economic policy where it is involved. I have discussed the objectives of this program with the Cabinet, my Advisory Committee on Government Organization, the Director of the Bureau of the Budget, and with you.

I am most pleased that you have agreed to continue to serve the Government and to organize on my behalf this very important undertaking. Effective immediately I am designating you as Special Assistant to the President to assist and advise me in accomplishing an orderly development of foreign economic policies and programs and to assure the effective coordination of foreign economic matters of concern to the several departments and agencies of the Executive Branch.

¹ Made on the occasion of the transfer of the submarine U. S. S. *Barb* to the Government of Italy at the U.S. Naval Submarine Base at New London, Conn., on Dec. 13 (press release 713).

More particularly, in respect to foreign economic matters, I shall look to you to provide for the anticipation of problems and issues, ensure advance preparation, analyze information for the purpose of clarifying and defining issues, and determine the primary responsibilities of the executive agencies for the preparation of original documents and for any other steps necessary to produce a coordinated and agreed upon governmental position.

There now are numerous standing and *ad hoc* interdepartmental coordinating mechanisms, as well as a complex of overseas departmental operations, each dealing with a limited aspect of our foreign economic policy. I expect that the arrangements established by this letter, with the cooperation and assistance of the Director of the Bureau of the Budget and his staff and with the benefit of other studies in this field of activity now underway, will lead to a substantial simplification of the present structure.

You are authorized to establish and to serve as the chairman of a Council on Foreign Economic Policy through which executive agencies can participate effectively in this undertaking. The Secretaries of State, Treasury, Commerce, Agriculture, and the Director of the Foreign Operations Administration, or their principal deputies, should comprise the initial basic membership of the Council. All of them are regular members of the Cabinet and three of them are regular members of the National Security Council.

In addition, *ex officio* members will be my Administrative Assistant for Economic Affairs, my Special Assistant for National Security Affairs, and a member of my Council of Economic Advisers. The heads of other departments and agencies should be invited by the chairman to participate in meetings of the Council when matters of direct concern to them are under consideration.

You may provide yourself with such staff as is necessary to assist you in connection with these duties. In addition, I anticipate that from time to time provision will need to be made for a limited number of special task forces for the review of specific foreign economic matters that are so extensive or complicated as to make it advisable to organize them as special projects.

Because the formulation of foreign economic policy in many instances is an integral part of the formulation of national security policy or of international financial policy, I want you, as

quickly as possible, to establish appropriate working relations with the National Security Council and the National Advisory Council on International Monetary and Financial Problems, respectively, to the end that in those instances referred to the desired integration will be effected. The achievement of such integration will be furthered by your attendance at such meetings of those organizations as you consider necessary, as well as attendance by a representative of those organizations at meetings of the Council on Foreign Economic Policy when appropriate.

Sincerely yours,

DWIGHT D. EISENHOWER

Committee on Mineral Policy Reports to President

White House press release dated December 1

On December 1 the President received the final report of the Cabinet Committee on Mineral Policy, a report designed to provide the basis for national policies affecting the production and use of metals and minerals. The report was approved by the President after discussion by members of the Cabinet at several recent Cabinet meetings.

The report contains 11 recommendations. Three are designed primarily to enhance the security of the Nation; one is intended to bring about closer Government-industry relations in the mining field; and seven are directed toward the encouragement of an orderly and vigorous development of domestic mineral resources.

Security Recommendations

The three recommendations dealing with security which the Committee termed "overriding in importance" are:

1. That a complete review be undertaken of all stockpile objectives for strategic and critical metals and minerals, and new long-term objectives established to assure, over a period of time the acquisition of adequate stocks of these materials, and thereby reduce—and where possible eliminate—foreseeable wartime shortages.

2. That the supply-demand situation for each of the metals and minerals be evaluated periodically on a case-by-case basis to establish the proper level of efficient domestic production required as an adequate component of the mobilization base

3. That the Office of Defense Mobilization review with the Departments of Interior and Commerce, and other agencies concerned, the tasks which need to be carried on to build and maintain the mobilization base for metals and minerals and issue necessary delegations of authority to assure full coverage of mobilization planning for metals and minerals within the policy framework and criteria established by ODM.

Domestic Development

In addition to security considerations, the Committee gave attention to the development of domestic mineral resources.

"A major objective of mineral policy," the report stated, "is a full and orderly program for the development and conservation of the country's mineral resources. An orderly development and wise use of the Nation's resources is an essential element in a strong and sound economy."

The Committee, in its report and in discussions with the Cabinet and the President, emphasized that the development of mineral resources is primarily a function of private enterprise and that actions of Government in this field should be limited to those which are in the national interest but not likely to be undertaken by private industry.

The Committee's recommendations relating to domestic resources are:

4. That the tax structure as it affects the discovery and production of minerals should be periodically reviewed in order to eliminate, where possible, such deterrents as may be found to exist to the sound development of the Nation's mineral resources.

5. That the program of financial assistance to private industry for exploration such as that now administered by the Defense Minerals Exploration Administration be strengthened and continued.

6. That the Department of the Interior—the Federal agency with major responsibility in this field—accelerate those activities which must precede or supplement private exploration such as topographic and geologic mapping, geologic research, and the development of geochemical and geophysical theories and techniques.

7. That the Department of the Interior expand direct exploration activities aimed at the discovery of new mineralized areas or critically short materials essential to security but that work in this field be confined to that which provides data as to the

probable location and general potential of mineral deposits; and, further, that this type of search be undertaken by the Federal Government only when it clearly is in the national interest and when it is reasonably certain that the work will not be done by private industry.

8. That the Secretary of the Interior develop recommendations for such revisions of the mining laws as may be desirable to recognize and thus encourage the use of newer methods of exploration.

9. That the Secretary of the Interior take such steps as may be necessary to strengthen and coordinate the collection and dissemination of facts concerning the Nation's mineral resources and factors pertaining to their production and utilization.

10. That the Department of the Interior intensify its program of mineral and metal research aimed at the development of latent resources, new mineral raw materials, and improved utilization of existing raw materials and coordinate its minerals and metal research with that of other Federal agencies and, as practicable, with research in industry.

In offering a final recommendation, the Committee expressed the belief that the objectives sought by mineral policy can be more effectively achieved if closer cooperation can be developed between Government and the mineral industries. The Committee, therefore, recommended:

11. That the Secretary of the Interior develop ways and means of establishing and maintaining through some workable body the contacts between the mining industry and Government necessary to give force and effect to the recommended policies.

Committee Actions

The Committee was appointed by the President on October 26, 1953. In addition to Secretary McKay as Chairman, the Committee is composed of the Secretary of State, the Secretary of Commerce, and the Director of the Office of Defense Mobilization. The Secretary of the Treasury and the Director of the Bureau of the Budget served as consultants.

In their letter of transmittal, the members of the Committee pointed out that, during the interim since the submission of a preliminary report in March of this year, a number of actions have been

taken implementing recommendations made at that time.

The recommendation that the strategic stockpile be expanded in the interests of national security became effective by the President's announcement of March 26, 1954.

The delegation of authority by ODM covering mobilization planning for metals and minerals became effective November 12.

Action has been taken by ODM to continue and strengthen the program of the Defense Minerals Exploration Administration.

Substantial progress along the lines of the recommendation regarding the elimination of tax deterrents has been made in the Internal Revenue Code of 1954.

In his appointment of the Committee in October 1953, the President called attention to the depressed conditions in segments of the mining industry existing at that time and specifically referred to the situation of lead and zinc producers. The Committee gave particular attention to this problem as a representative test case. Announcement of the stockpile policy last March resulted in a firming up of the lead and zinc market, the letter of transmittal noted, and when a purchase program was inaugurated under the new policy, the market prices of both commodities rose substantially.

Danish Liberalization of Dollar Imports

Press release 721 dated December 17

The following joint statement of the Departments of Commerce and State was released on December 17.

The U.S. Government welcomes the announcement by the Danish Minister of Commerce that Denmark is liberalizing imports from the dollar area by abolishing import licensing requirements for a wide variety of dollar goods.

While a full list of the goods freed is not yet available, the Danish Government has indicated that this relaxation of restrictions on imports from the dollar area involves a liberalization of 38 percent of Denmark's dollar imports, based upon dollar imports in 1953.

This first stage of dollar liberalization includes

such commodities as unmanufactured tobacco, cotton, asphalt, lumber, paper, many chemicals, medicinal articles, optical glassware, various tools and instruments, sewing machines, agricultural machinery, textiles, printing, packing and other machines, machine tools, and telephone and telegraph equipment.

It is expected that this first step in the liberalization of dollar imports will be followed by further liberalization measures as soon as conditions permit.

This voluntary action by the Danish Government is commended as an example of the constructive action taken by those countries whose dollar position permits the adoption of measures in the direction of freer trade. There has been much progress recently in the relaxation of foreign restrictions on a large variety of U.S. exports.

Other Western European countries which recently have freed imports from the United States and Canada include Belgium, the Netherlands, Luxembourg—86 percent; Germany—70 percent; the United Kingdom—49 percent; Sweden—45 percent; and Italy—23 percent.

President Decides Against Absolute Quota on Clothespins

White House press release dated November 22

The President, on November 22, declined to accept the recommendations of three members of the U.S. Tariff Commission for an absolute quota on imports of spring clothespins.¹

The Tariff Commission made an investigation into the effect of trade-agreement concessions on domestic manufacture of spring clothespins pursuant to section 7 of the Trade Agreements Extension Act. In its report, the Commission was equally divided. On two earlier occasions, when domestic producers made similar applications, the Tariff Commission by a majority vote declined to recommend restrictive action against imports. In the Commission's report on its latest investigation, three Commissioners found that spring clothespins are being imported into this country in such increased quantities as to cause serious injury to the domestic industry. The other three

¹ Copies of the Tariff Commission's report may be obtained from the U.S. Tariff Commission, Washington 25, D. C.

Commissioners took the position that any unsatisfactory conditions that there may be in the industry at this time are not properly attributable to increased imports. Under present law, split decisions in the Commission are forwarded to the President for resolution and he is authorized to consider the findings of either as the findings of the Commission.

The President, in identical letters to Senator Eugene D. Millikin, Chairman of the Senate Finance Committee, and Representative Daniel A. Reed, Chairman of the House Ways and Means Committee, stated that "no clear case has been made for further restricting imports of spring clothespins" and that "such hardship as may have been experienced lately by domestic producers and workers has been due to domestic developments which do not warrant action under section 7 of the Trade Agreements Extension Act."

The President said that, even if some restrictive action were warranted in this case, he would be particularly hesitant to impose an absolute quota on imports in a case of this kind. "Only in exceptional situations," he said, "has the United States resorted to controlling imports by absolute quotas, as in the case of a few farm products where a supported price in the American market was attracting an excessive quantity of imports."

Text of President's Letter

NOVEMBER 20, 1954

DEAR MR. CHAIRMAN: The United States Tariff Commission on October 6, 1954, submitted to me a report of its escape clause investigation on spring clothespins under Section 7 of the Trade Agreements Extension Act.

The members of the Commission are equally divided on the question of whether relief is warranted. Under the present law, I am authorized to consider the findings of either as the findings of the Commission. This is the third application. The prior two were turned down by majority votes of the Commission.

The group of Commissioners which concludes in this case that relief is called for believes that the permissible increase in duty under the escape clause authority would be insufficient to bridge the gap between the prices of the domestic and foreign products, and recommends the imposition of an absolute limit upon the quantity of spring clothespins that may be imported annually hereafter to 450,000 gross. That would amount to a reduction of over half in the volume of recent imports.

The second group of Commissioners takes the position

that any unsatisfactory conditions that there may be in the industry at this time are not properly attributable to increased imports.

I naturally am deeply concerned by the reported unemployment in this industry, though I am pleased to learn that the very latest employment reports from New England are more encouraging. Close study of all the data available, however, leads me to conclude, with the second group of Commissioners, that no clear case has been made for further restricting imports of spring clothespins and that such hardship as may have been experienced lately by domestic producers and workers has been due to domestic developments which do not warrant action under Section 7 of the Trade Agreements Extension Act.

The outstanding fact in this situation is that total sales of all clothespins have been definitely on the decline in the United States. Despite this general trend, total sales of spring clothespins, with which we are here concerned, have been substantially maintained at a level more than double that of the pre-war years. Nearly all spring clothespin manufacturers also produce slotted pins, and where financial losses have occurred, they appear to be due to the marked decline in sales of slotted pins rather than to imports of spring clothespins. Moreover, the extent of the decline in the over-all sales of clothespins has been much greater than the total quantity of spring pins imported.

The decline in the use of clothespins seems clearly attributable to recent domestic developments. Over 2½ million automatic driers have been installed in American homes and apartment houses since the close of the war. Also, more laundry apparently is being done outside the home in laundromats and commercial laundries.

The reported decline in employment is due at least in part to the fact that several of the domestic firms have during the last few years installed additional equipment in order to improve their efficiency. With this increased mechanization they have required a smaller number of persons to turn out the same amount of goods.

Even if some restrictive action were warranted in this case, I should be particularly hesitant to impose an absolute quota on imports in a case of this kind. We have been very concerned that sales abroad of many American export products have been seriously hurt during recent years by quantitative limitations imposed by various foreign countries, thus curtailing the play of competition even when our product and its price are better.

Only in exceptional situations has the United States resorted to controlling imports by absolute quotas, as in the case of a few farm products where a supported price in the American market was attracting an excessive quantity of imports.

In view of all these considerations, no change in the present import treatment of spring clothespins seems warranted.

Sincerely,

DWIGHT D. EISENHOWER

Reorganization of German Coal, Iron, and Steel Industries ¹

The following Order No. (V) 6-G issued by the Combined Steel Group of the Allied High Commission for Germany pursuant to Allied High Commission Law No. 27 ² (Reorganization of German Coal, Iron and Steel Industries), as amended by Allied High Commission Law No. 76, ³ is deemed to be of interest to certain U. S. citizens as having legal effect upon them or their property. Provision for review of this order will be found in Article 13 of Law No. 27, as amended by Article 4 of Law No. 76.

ORDER NO. (V) 6-G

To:

1. Vereinigte Stahlwerke Aktiengesellschaft in Liquidation auf Grund des Gesetzes Nr. 27 über die Umgestaltung des deutschen Kohlenbergbaues und der deutschen Stahl- und Eisenindustrie, in Dusseldorf.

2. Rheinstahl-Union Maschinen- und Stahlbau Aktiengesellschaft, in Dusseldorf.

Hannoversche Maschinenbau-Aktien-Gesellschaft vormals Georg Egestorff (Hanomag), Hannover-Linden.

Eisenwerk Wanheim Gesellschaft mit beschränkter Haftung, Duisburg-Wanheim.

Nordseewerke Emden Gesellschaft mit beschränkter Haftung, Emden.

Dortmunder Union Brückenbau Aktiengesellschaft, Dortmund.

Siegener Eisenbahnbedarf Aktiengesellschaft, Dreis-Tiefenbach, Kreis Siegen.

Concordiahütte Gesellschaft mit beschränkter Haftung, Bendorf/Rhein.

Wagner & Co. Werkzeugmaschinenfabrik Gesellschaft mit beschränkter Haftung, Dortmund.

Gelsenkirchener Bergwerks-Aktien-Gesellschaft in Essen-Ruhr.

Dortmunder Bergbau Aktiengesellschaft, Dortmund.

Rheinische Bergbau Aktiengesellschaft, Gelsenkirchen.

Hansa Bergbau Aktiengesellschaft, Dortmund.

Erin Bergbau Aktiengesellschaft, in Castrop-Rauxel.

Hamborner Bergbau Aktiengesellschaft, in Duisburg-Hamborn.

Dortmund-Hörder Huttenunion Aktiengesellschaft, in Dortmund.

Rheinische Rohrenwerke Aktiengesellschaft, in Mulheim-Ruhr.

Huttenwerke Phoenix Aktiengesellschaft, in Duisburg-Ruhrort.

Rheinisch-Westfälische Eisen- und Stahlwerke Aktiengesellschaft, in Mulheim-Ruhr.

Eisenwerke Mulheim/Meiderich Aktiengesellschaft, Mulheim-Ruhr.

Eisenwerke Gelsenkirchen Aktiengesellschaft, Gelsenkirchen.

Huttenwerke Siegerland Aktiengesellschaft, in Siegen i/W.

Friedrichshütte Aktiengesellschaft, Herdorf.

3. All other Successor Companies, including their Subsidiaries, of Vereinigte Stahlwerke Aktiengesellschaft in Liquidation.

4. The National City Bank of New York, in New York;

¹ 19 Fed. Reg. 6815.

² 15 Fed. Reg. 8591.

³ 19 Fed. Reg. 6611 (BULLETIN of Nov. 1, 1954, p. 654).

Irving Trust Company, in New York; Kreditanstalt für Wiederaufbau, in Frankfurt/M.

Whereas the Liquidators of Vereinigte Stahlwerke Aktiengesellschaft in Liquidation under Law No. 27 on Reorganization of German Coal and Iron and Steel Industries (hereinafter referred to as "Vereinigte Stahlwerke AG i.L.") have submitted a Plan dated 10 December 1953 (hereinafter referred to as "Plan") for the treatment of claimants under the following dollar bond and debenture issues (hereinafter referred to as "Old Bond Issues"):

Rheinische Union Twenty-Year 7 percent Sinking Fund Mortgage Gold Bonds, issued under Indenture, dated as of 1 January 1926. Trustee: Irving Trust Company.

Vereinigte Stahlwerke Aktiengesellschaft, 25-Year 6½ percent Sinking Fund Mortgage Gold Bonds, Series A, issued under Indenture, dated as of 1 June 1926. Trustee: The National City Bank of New York.

Vereinigte Stahlwerke Aktiengesellschaft, 25-Year 6½ percent Sinking Fund Mortgage Gold Bonds, Series C, issued under said Indenture, dated as of 1 June 1926. Trustee: The National City Bank of New York.

Vereinigte Stahlwerke Aktiengesellschaft, 20-Year 6½ percent Sinking Fund Debentures, Series A, issued under Indenture, dated as of 1 July 1927. Trustee: Irving Trust Company.

and

Whereas the Plan provides for the refunding of the outstanding debt under the said Old Bond Issues and the transfer of the debt so refunded to the following successor companies, and no others, derived from Vereinigte Stahlwerke AG i. L. (hereinafter referred to as "Obligor Companies") in the following respective percentages:

	Percent
Rheinstahl-Union Maschinen- und Stahlbau Aktiengesellschaft, Dusseldorf	9.5000
Gelsenkirchener Bergwerks-Aktiengesellschaft, Essen	25.3400
Hamborner Bergbau Aktiengesellschaft, Duisburg-Hamborn	1.5837
Erin Bergbau Aktiengesellschaft, Castrop-Rauxel	4.7512
Dortmund-Hörder Huttenunion Aktiengesellschaft, Dortmund	14.7065
Rheinische Rohrenwerke Aktiengesellschaft, Mulheim-Ruhr	12.9414
Huttenwerke Phoenix Aktiengesellschaft, Duisburg-Ruhrort	12.9414
Rheinisch-Westfälische Eisen- und Stahlwerke Aktiengesellschaft, Mulheim-Ruhr	12.3535
Huttenwerke Siegerland Aktiengesellschaft, Siegen	5.8823
	100.0000

and

Whereas the Obligor Companies will issue their Obligations pursuant to the Plan and to the provisions of the Declaration and Agreement of Deposit attached thereto as Annex 16 (hereinafter referred to as "Declaration"), which Obligations are to be secured by security mortgages to be registered on operating properties (real estate and mining properties) of the following companies (hereinafter referred to as "Mortgagor Companies"), all as provided in the Plan:

Hannoversche Maschinenbau-Aktiengesellschaft, vormals Georg Egestorff (HANOMAG), Hannover-Linden	\$712, 500	
Eisenwerk Wanheim Gesellschaft mit beschränkter Haftung, Duisburg-Wanheim	712, 500	
Nordseewerke Emden Gesellschaft mit beschränkter Haftung, Emden	475, 000	
Dortmunder Union Brückenbau Aktiengesellschaft, Dortmund	190, 000	
Siegener Eisenbahnbedarf Aktiengesellschaft, Dreis-Tiefenbach Kreis Siegen	118, 750	
Concordiahütte Gesellschaft mit beschränkter Haftung, Bendorf/Rhein	95, 000	
Wagner & Co., Werkzeugmaschinenfabrik Gesellschaft mit beschränkter Haftung, Dortmund	71, 250	
		\$2, 375, 000
Dortmunder Bergbau Aktiengesellschaft, Dortmund	2, 375, 625	
Rheinelbe Bergbau Aktiengesellschaft, Gelsenkirchen	3, 167, 500	
Hansa Bergbau Aktiengesellschaft, Dortmund	791, 875	
		6, 335, 000
Hamborner Bergbau Aktiengesellschaft, Duisburg-Hamborn	396, 000	
Erin Bergbau Aktiengesellschaft, Castrop-Rauxel	1, 188, 000	
Dortmund-Horder Huttenunion Aktiengesellschaft, Dortmund	3, 677, 000	
Rheinische Rohrenwerke Aktiengesellschaft, Mulheim-Ruhr	3, 235, 000	
Huttenwerke Phoenix Aktiengesellschaft, Duisburg-Ruhrort	3, 235, 000	
Eisenwerke Mulheim/Meiderich Aktiengesellschaft, Mulheim-Ruhr	1, 235, 200	
Eisenwerke Gelsenkirchen Aktiengesellschaft, Gelsenkirchen	1, 852, 800	
		3, 088, 000
Huttenwerke Siegerland Aktiengesellschaft, Siegen	1, 176, 800	
Friedrichshütte Aktiengesellschaft, Herdorf	294, 200	
		1, 471, 000
		25, 000, 000

and
Whereas such Obligations will be the several Obligations of the respective Obligor Companies and will not provide for any form of joint liability on the part of any of them within the meaning set forth in Annex 15 to the Plan, and

Whereas Kreditanstalt für Wiederaufbau has agreed to undertake its unconditional guaranty for the fulfillment of the said Obligations and of the Declaration as set forth in the Plan, and

Whereas The National City Bank of New York and Irving Trust Company have, by letter dated 10 December 1953, agreed to act in accordance with the terms of the Plan as Depositaries of the Obligations to be issued by the above-named Obligor Companies, and

Whereas the Combined Steel Group has determined that the Plan provides fair and equitable treatment to the claimants under the Old Bond Issues in compliance with Article 5 of Law No. 27 without prejudicing the rights of other claimants to such fair and equitable treatment,

The combined steel group hereby orders as follows:

ARTICLE I

(1) The "Plan for the Treatment of Claimants under United States Dollar Bond and Debenture Issues of Vereinigte Stahlwerke Aktiengesellschaft in Liquidation" attached hereto and incorporated herein, is approved and enters into force. The refunding and the transfer of the debt so refunded as provided for in the Plan becomes effective as from 1 January 1953. If an Obligor Company was not yet in existence at that date, the debt allocable to it is being transferred to it as of 1 January 1953, effective as of the date of its registration in the commercial register.

(2) Vereinigte Stahlwerke AG i.L., each of the Obligor Companies, each of the Mortgagor Companies, The National City Bank of New York, Irving Trust Company and

Kreditanstalt für Wiederaufbau shall forthwith take, each in its own capacity, all action necessary for the implementation and execution of the Plan. The National City Bank of New York and Irving Trust Company, as Depositaries, shall, in particular, accept and hold the Obligations to be issued by the Obligor Companies subject to the terms and provisions of the Plan and of the Declaration and shall

* Copies of the Plan may be obtained by interested bondholders by application to the Combined Steel Group, c/o The Allied General Secretariat, Allied High Commission for Germany, Bonn, Germany.

Copies of the Plan are available for inspection by interested bondholders at the following places:

Office of German Affairs, Department of State, Twenty-first Street and Virginia Avenue NW., Washington, D. C.
Corporate Trust Department, The National City Bank of New York, 55 Wall Street, New York, N. Y.

Corporate Trust Department, Irving Trust Company, 1 Wall Street, New York, N. Y.

Public Reference Room, Securities and Exchange Commission, 425 Second Street NW., Washington, D. C.

The following other offices of the Securities and Exchange Commission:

Federal Building, Post Office Square, Boston, Mass.

Room 350, Peachtree-Seventh Building, Atlanta, Ga.

Room 630, Bankers Building, 105 West Adams Street, Chicago, Ill.

Room 162, New Customs House, 19th and Stout Streets, Denver, Colo.

Room 301, United States Court House, 10th and Lamar Streets, Fort Worth, Tex.

42 Broadway, New York, N. Y.

Room 334, Appraisers Building, 630 Sansome Street, San Francisco, Calif.

Room 304, 905 Second Avenue Building, Seattle, Wash.

Room 1628, Standard Building, 1370 Ontario Street, Cleveland, Ohio.

Room 1074, Federal Building, Detroit, Mich.

Room 1737, United States Post Office and Court House, 312 North Spring Street, Los Angeles, Calif.

Room 400, Pioneer Building, Fourth and Roberts Streets, St. Paul, Minn.

distribute to the claimants under the Old Bond Issues Participation Certificates and Scrip in the form and manner provided in the Declaration.

ARTICLE II

(1) The Mortgagor Companies shall secure the liabilities resulting from the respective Obligations by registering in favor of The National City Bank of New York and Irving Trust Company security mortgages on operating properties (real estate and mining properties) of such mortgagor companies as provided in Article VII of the Plan. These mortgages shall be in the respective amounts set out in Column (2) of Annex 10 of the Plan in currency of the United States of America; no consent of any German authority will be required for the entry of the mortgages in currency of the United States of America; Paragraph 15 of the "Verordnung über die Eintragung von Hypotheken in ausländischer Währung vom 13. Februar 1920 (RGB1. S. 231) in der Fassung des Gesetzes vom 12. März 1931 (RGB1 I S. 31)" shall not be applicable. The mortgages shall be entered as first mortgage liens in the land registers of the real estate to be mortgaged and in the mining registers of the mining properties to be mortgaged; in the cases specified in Article VII, Paragraph 2, sentence 2 of the Plan, the mortgages shall be registered at the rank immediately after the existing liens referred to in Annex 13 to the Plan, but they shall move up to the first rank as soon as and to the extent that the prior liens are either cancelled or revert to the owner, and, in order to assure this result, preliminary notices of cancellation shall be registered in favor of The National City Bank of New York and Irving Trust Company.

(2) The transfer of the mortgages and of the claims secured thereby to successors and assigns of The National City Bank of New York and Irving Trust Company is governed by the general rules of law.

ARTICLE III

(1) To the extent that reservations of priority (Rangvorbehalte) or preliminary notices (Vormerkungen) provided for in previous orders of the Combined Steel Group and the Combined Coal Control Group have been entered in the land registers, the mortgages shall be entered in exercise of such reservations of priority or in cancellation of such preliminary notices.

(2) To the extent that such reservations of priority or such preliminary notices will not be fully utilized by the entry of a mortgage, or will not be made use of for the entry of a mortgage, the reservation of priority or the preliminary notice, ranking after such mortgage, will remain in existence in such a way that the owner shall be entitled to make use of the remaining reservation of priority or of the remaining preliminary notice in favor of any creditor, without prejudicing, however, the rights of any person other than the creditors of the refunded debt to claim a rank below that required for securing such debt.

ARTICLE IV

(1) To prove to the land registry that a real estate or a mining property of a Mortgagor Company is or is not a

real estate or a mining property to be mortgaged in accordance with Article II of this Order, the written statement of the Managing Directors (Vorstand) or of the Managers (Geschäftsführer) of such company shall be sufficient, which statement is not required to be in the form prescribed in Paragraph 29 of the land register ordinance (Grundbuchordnung).

(2) No consent of the party in interest will be required either for the cancellation of a preliminary notice entered pursuant to a previous order of the Combined Steel Group or for the correction of the land register to the extent that such notice was not utilized for the entry of the mortgage.

ARTICLE V

Pursuant to the provisions of Article 5 of Regulation No. 6 under Law No. 27, Vereinigte Stahlwerke AG i.L., is hereby released from any and all liability under any of the Old Bond Issues as from 1 January 1953 and from any and all liability under the refunded new debt as from the date of its transfer to the Obligor Companies. Neither The National City Bank of New York nor Irving Trust Company as Trustees nor any holder of any bond or debenture including interest coupons pertaining thereto under the Old Bond Issues, or of any claim based thereon, shall have any right to enforce the same or any of the provisions of any of the indentures referred to herein against either Vereinigte Stahlwerke AG i.L., or its Liquidators, or against any of its successor companies, or against any of the properties of either Vereinigte Stahlwerke AG i.L. or any of its successor companies or of any subsidiary of any such successor company, and no holder of any such bond or debenture, including interest coupons, under the Old Bond Issues or of any claims based thereon shall have any other right or claim by reason of the holding or ownership thereof, or otherwise, except to surrender the said bond or debenture or interest coupons in exchange for Participation Certificates or Scrip, or both, in the manner provided in the Declaration, after such bond or debenture or interest coupons shall have been validated pursuant to the Validation Law for German Foreign Currency Bonds, dated 25 August 1952, or, in the case of non-validation, to claim compensation under Part V of said Law against the Obligor Companies, severally, in the respective percentages indicated above.

ARTICLE VI

Article 7, Paragraph 1 of Law No. 27 applies to all measures which will be taken in compliance with the provisions of the Plan or of its Order. The term "Taxes and other duties" used in Law No. 27 will include turnover taxes and transfer taxes as well as other duties, fees and costs, which otherwise would have to be paid in consequence of these measures, subject to the provisions of the following sentence. The treatment of the deconcentration measures for profit and property taxation purposes is determined by the orders of the competent highest fiscal authority of the Land which will establish them in agreement with the persons subject to taxation.

ARTICLE VII

The English and German texts of the Plan and its Annexes are equally authentic.

ARTICLE VIII

This Order, under the authority granted in Regulation No. 22 under Law No. 27 of the Allied High Commission, shall be issued and become effective on 1 October 1954 and is to be published as provided in Decision No. 16 of the Allied High Commission.

W. G. DANIELS,
Acting U. S. Chairman.
E. A. JANET,
French Chairman.
A. H. DAUNCEY,
U. K. Chairman.

For the Secretary of State:

GEOFFREY W. LEWIS,

*Deputy Director, Office of German Affairs,
Bureau of European Affairs.*

OCTOBER 13, 1954.

Current Treaty Actions

MULTILATERAL

Commodities—Wheat

Agreement revising and renewing the international wheat agreement of 1949 (TIAS 1957). Dated at Washington April 13, 1953. Entered into force July 15, 1953, with respect to parts 1, 3, 4, and 5; and August 1, 1953, with respect to part 2. TIAS 2799.

Accession deposited: Italy, December 10, 1954.

Genocide

Convention on the prevention and punishment of the crime of genocide. Done at Paris December 9, 1948.¹

Accession deposited: Germany, November 24, 1954.

¹ Not in force for the United States.

German External Debts

Administrative agreement concerning the Arbitral Tribunal and the Mixed Commission under the agreement on German external debts of February 27, 1953 (TIAS 2792), with annex and exchange of letters. Signed at Bonn December 1, 1954, by the United States, France, the Federal Republic of Germany, and the United Kingdom. Entered into force December 1, 1954.

BILATERAL

Colombia

Agreement extending agreements for United States Air Force, Army, and Naval Missions to Colombia (TIAS 1893, 1892, and 1563, respectively). Effected by exchange of notes at Bogotá October 6 and November 4, 1954. Entered into force November 4, 1954.

Germany

Agreement concerning tax relief to be accorded by the Federal Republic of Germany to United States expenditures in the interest of the common defense, with annex and exchange of letters. Signed at Bonn October 15, 1954. Enters into force upon the deposit of an instrument of ratification by the Federal Republic with the United States.

Guatemala

Development assistance agreement. Signed at Washington December 13, 1954. Entered into force December 13, 1954.

Iran

Agreement extending the military mission agreement of October 6, 1947, as amended and extended (TIAS 1666 and 2947). Effected by exchange of notes at Tehran September 22 and November 22, 1954. Entered into force November 22, 1954.

U.N. Refers Soviet Piracy Charges to International Law Commission

*Statements by C. D. Jackson
U.S. Representative to the General Assembly*

On December 13 the Ad Hoc Political Committee began debate on the last item on its agenda, a Soviet-sponsored resolution entitled "Complaint of violation of the freedom of navigation in the area of the China Seas" (A/AC.76/L.24). The Soviet resolution called for condemnation of "piratical raids" on merchant shipping carried out by "naval vessels based on the island of Taiwan and controlled by the United States authorities." The following day the Syrian delegation offered a substitute resolution (A/AC.76/L.25) calling on all concerned to "resolve their differences by recourse to appropriate peaceful processes" and asking all member states to "abstain from acts which would be considered contrary to the principle of freedom of navigation on the high seas." Neither the Soviet nor the Syrian resolution was brought to a vote. Instead, the committee on December 15, by a vote of 35-5-15, adopted a draft resolution cosponsored by the United States, Cuba, and the Philippines (A/AC.76/L.26) referring the matter to the International Law Commission for study. The recommendation of the committee was approved in plenary session on December 17 by a vote of 39-5-14. Following are the statements made by Mr. Jackson in the committee on December 13, 14, and 15 and in the plenary session on December 17.

STATEMENT OF DECEMBER 13

U.S. delegation press release 2082

Fellow delegates, if you will permit me to use publishing terminology, I'd say we are today dealing with chapter 3 of the same old volume, entitled "How To Use the United Nations for Propaganda

Purposes." We have survived the Czech item on propaganda. (At least that one was honestly named.) Then we had the Soviet item accusing the United States of aggression in the Formosa area.¹ And this morning once again the Soviet delegate [Jacob A. Malik] has unmistakably linked this item with today's item.

I would like to draw your serious attention to the fact that the present item not only owes its parentage to the previous Soviet item on aggression but has its grandfather in the Czech item and therefore deserves the same treatment that the whole family has received. We are dealing again today with another of these items introduced by the Soviet Union or one of its satellites whose purpose is not to seek a practical and reasonable solution to some specific problem. Its purpose is to convert this forum into a sounding board for Soviet propaganda.

This item, like the one the committee has just completed, is another cold-war item. This is made evident by the words we have heard this morning. It is made evident by the Soviet explanatory memorandum.

It seems to me that our French colleague has presented the conclusive proof that this is a cold-war item. We should not forget that it was the Soviets themselves, on their own initiative, who appealed to the French to exercise their good offices in the *Tuapse* case. We should also not forget that the Chinese Government accepted the suggestion immediately.

At that moment the Soviets should have withdrawn the item. How could the Soviets, if they

¹For statements by Mr. Jackson on this item, see BULLETIN of Dec. 20, 1954, p. 957.

were acting in good faith, propose on the one hand a serious good-offices effort by the French with the Chinese Government and at the same time plan to carry on this debate in the most inflammatory and intemperate manner which could only interfere with, if not completely nullify, the requested good offices.

The statements made by the Soviet delegate have a familiar ring. They contain many of the same distortions and the same fantastic accusations against the United States Government which were presented by the Soviet delegate and his colleagues from the Communist orbit in their vain attempt to confuse this body into condemning the United States as an aggressor in Formosa.

This committee on December 10 decisively rejected these false charges. Only the Soviet bloc voted in favor of their own resolution. This committee was not deceived by the utterly false picture of the United States position respecting Formosa painted by the Communist delegates. Yet they are now having another go at it. This can hardly be taken as a compliment to the intelligence of this committee.

Among the familiar themes we are hearing again is that the United States has seized and occupied Formosa. The United States is therefore responsible—according to this absurd contention—for each and every action taken by the forces of the Chinese Government. The distinguished delegate of China has ably set forth his case in respect to the actions taken by the forces of his Government in the waters surrounding Formosa. I will come back to this question later. But first permit me to deal with the allegations that the United States Government is a party to these actions of the Chinese Government.

When the last item was discussed by this committee, it was pointed out that the United States has neither seized nor occupied Formosa. I presented the facts as to the activities of the United States Seventh Fleet and the purpose of its mission. That purpose is, and has been, the maintenance of stability in the Formosa area. Now in connection with this item we are not only hearing over again the outworn Soviet charges, but they are being related to the detention of the three vessels named in document A/2741. This is being done despite the fact that the accusations with respect to the three vessels have all been contained in notes to my Government from the Soviet and Polish Governments and have been categorically

rejected. This is all a matter of public record. I should like to read certain pertinent extracts from notes which my Government has sent to the Polish and Soviet Governments on these matters.

Accusations Rejected

On October 12, 1953, a Polish note alleged that the United States Government was responsible for the seizure of the tanker *Praca*, on the ground that the forces of the Chinese Government on the island of Taiwan were under the political and military control of the United States. In a note to the Polish Government, dated October 20, we replied as follows:²

The United States Government rejects categorically the false charges contained in the Ministry's note and wishes to make clear to the Polish Government that the United States Government had no connection with the detention of the *Praca*.

Following the seizure of the vessel *Gottwald* by the Chinese Navy, the Polish Government in a note dated May 15, 1954, accused my Government of responsibility for this action. In addition, other baseless and provocative charges were made. We were accused of both inspiring the seizure and taking part in it directly. We were accused of gangsterism, of increasing tensions in the Far East, of aggression. On May 20 the United States Government replied as follows:³

The United States Government rejects as completely without foundation the allegations made by the Polish Government. The United States Government has had no connection whatever with this incident.

On June 24, the Soviet Government transmitted to the Government of the United States a note concerning the detention of the tanker *Tuapse* which contained the assertion that

It is entirely obvious that seizure of a Soviet tanker by a war vessel in waters controlled by the U. S. naval fleet could be carried out only by the naval forces of the U. S.

On June 26 the United States answered this note as follows:⁴

The United States Government rejects as completely without foundation the allegations made by the Soviet Government that Naval Forces of the United States have seized or otherwise interfered with the movement of the Soviet tanker in question.

² *Ibid.*, Nov. 9, 1953, p. 640.

³ *Ibid.*, May 31, 1954, p. 824.

⁴ *Ibid.*, July 12, 1954, p. 51.

The allegations contained in these notes were based on the same false premise that the United States has seized and occupied Formosa. These accusations against the United States of aggression in Formosa were discredited in their entirety by the action of this committee last week. And yet this is the very premise upon which this morning's Soviet resolution is based and the premise previously rejected by this committee.

There is another allegation made in connection with these cases which should be noted. It is alleged by the Soviet Union that United States military aircraft have indulged in provocative actions and violated freedom of commercial navigation over the open sea in the region of Taiwan. I would like to read in full to the members of the committee the text of the United States note of November 29 to the Soviet Union in reply to these unwarranted charges.⁵

The Soviet representative alleged this morning that United States military aircraft fired on ships off Hainan. I should like to read the following note of the United States Government.⁶

Question of Military Cargoes

Now, Mr. Chairman, I would like to discuss the background against which this Soviet item should be considered. Is it one which leads us to believe that the sponsor of this item is genuinely concerned with the principle of the freedom of the seas, or is there reason to believe that he has other fish to fry?

It is quite possible that the Soviet Union is upset because there has been some interference with the supply of fuel for the Air Force of the Chinese Communist regime. The Chinese Communist ally of the Soviet Union has been announcing almost daily that its "war of liberation" is not yet finished—that Formosa must be taken. This sinister task, if we can believe the words of the Chinese Communist leaders themselves, has been entrusted to the Chinese Red Army, Navy, and Air Force. It will be hard to carry out this task without adequate supplies of fuel. Is that what upsets the Soviet delegate?

⁵ *Ibid.*, Dec. 13, 1954, p. 901.

⁶ *Ibid.*, Aug. 16, 1954, p. 241.

The cargo carried by the Soviet tanker *Tuape* may be described as kerosene. This is an innocent-sounding label. It is reported, however, that this seemingly innocent cargo is in every respect suitable for simple conversion into fuel for jet aircraft. It is known, too, that the cargo of the tanker *Praca* also contained kerosene of a grade entirely useful for jet aircraft. This is the testimony of Capt. Leonard Wasowski, master of the *Praca*:

Captain Wasowski decided not to return to Communist Poland, following the detention of his ship by the Chinese Government, and requested asylum on Formosa because, to use his own words, he had "had enough of communism." Captain Wasowski subsequently applied for entry to the United States, together with 21 men from the *Praca* and *Gottwald*, and he is now living in New York City.

There were circumstances of his last voyage which left no doubt in Captain Wasowski's mind that he had a military cargo on board the *Praca*. Before he sailed, he was given secret written instructions as to how to proceed with his cargo in Far Eastern waters. These were not instructions given to a captain responsible for a cargo of oil for the lamps of China. Captain Wasowski, whose crew included 17 Chinese headed by a political officer, was instructed to maintain radio silence after leaving Singapore and to give a wide berth to Formosa. In short, he was ordered to behave as though he were going through a war zone.

I have here a signed statement by Captain Wasowski, master of the *Praca*, which I would like to read to you.

Like all the Polish captains of the Chinese trade I got the secret instruction (in writing) covering my duties when I will sail through the Chinese Sea.

As far as I can remember, that instruction had the following points:

- 1) Radio silence should be maintained from the time of passing Singapore till 24 hours before reaching the Chinese port.
- 2) Sharp lookout should be kept when sailing east of Singapore.
- 3) I should avoid approaching Formosa's coast less than 60 miles.
- 4) In case of interference by any foreign ship, I should deny anybody's right to board my ship. I may yield only before force. In such a case I should point out that the Polish Government doesn't recognize Chiang Kai-shek and is free to trade with Red China.
- 5) In case of trouble I should send the TTT telegram announcing that my ship was stopped unlawfully at high seas.

Regarding the cargo, I may say it was kerosene and in 1952 when I carried exactly the same kind of cargo I was confidentially informed by the Russians who boarded the ship in Constanza that it is needed badly for the jets fighting in Korea. Therefore I assumed the kerosene was to be used for military purposes.

My ship *Praca* was without any doubt the property of Red China.

It is known to me that the cost of overhauling the ship in Belgium (over \$2 million in U.S. dollars) was covered by the Bank of China through the Bank of Poland.

While I asked for political asylum on Formosa, nobody ever suggested such defection to me. I was neither induced nor bribed.

I did ask for asylum because I wanted to be free and because I disapprove everything that is going on in Poland under the Communist regime.

I can quite understand why this whole business of defection should be a very sensitive and sore subject to the delegate from Poland [Stanislaw Skrzyszewski]—very sensitive. In fact, the fact that 21 crewmen of the *Gottwald* and the *Praca*, plus the captain of the latter vessel—making 22 in all—have been welcomed in the United States is no doubt irritating and embarrassing to the Polish Government, which has been confronted with defections on a wholesale basis. I think they really win a prize on that one. In this connection I should like to refer to a few of the more well known cases in the past 2 years, and I think that everyone will agree that none of these ladies or gentlemen had their arms twisted in order to defect—and I also apologize for what will probably be some mispronunciation of Polish names.

Well, there is Andrzej Panufnik, foremost composer, who defected in Switzerland in July 1954.

There is Krystyna Bujnowska, member of the famous "Mazowsze" dance ensemble, who defected in Paris in November 1954.

[At this point the representative of the U. S. S. R. intervened on a point of order. The Chairman did not sustain the point of order and requested the U.S. representative to proceed.]

Well, I won't offend the Soviet representative by reading the rest of this list. The reason I've made this reference was because the Polish representative had treated us to a half hour of talk about the alleged measures used to get the Polish seamen to come to this country. There is one basic difference between the Polish seamen whose alleged statements were read by the Polish delegate this afternoon and Captain Wasowski and the other seamen about whom he was talking, and that really

is a very basic difference. The difference is that these 22 Polish seamen and Captain Wasowski are right here in this country, a great many of them in this city. I have no doubt that if the delegate from Poland wished to speak with them, or if any of the other delegates wished to speak with them and find out the circumstances of their defection and of their seeking asylum, they would be delighted to oblige. In fact, I wonder if it wouldn't be a good idea to challenge the Polish delegate to such an interview.

Now, what is the reason for transporting jet fuel to Communist China in these tankers?

The Peiping regime has recently announced that it is building its own airplanes. It has not claimed that it is constructing jet planes for commercial uses. It is clear that jet fuel bound for Communist China is intended solely for the jet planes of the Chinese Communist Air Force.

The source of these jet planes is well known. They appeared frequently in Korea in combat against the Air Force of the United Nations Command—that is, in support of the Communist aggressors in Korea. During the Korean action there were a total of 44,165 sightings of MIG-15 aircraft alone. Almost 1,000 tons of petroleum products were consumed each day by the Communist side during the fighting in Korea. All indications are that these petroleum products were furnished to the Chinese and North Korean Communist forces by the Soviet Union.

The transport of this large quantity of oil for the military machines used by the Communist aggressors in Korea, in addition to the heavy load of other military supplies, severely taxed the capacities of the Trans-Siberian and Communist railway systems. These rail facilities continue to be hard pressed in order to supply the needs of the Soviet armed forces in the Far East as well as the Chinese and North Korean Communist fuel requirements for military transports, naval and aircraft. The petroleum from the Soviet Union for the Chinese Communist war machine is carried therefore almost exclusively in tankers of the Soviet Union and other countries in the Communist orbit and disposed mainly in Shanghai, Tsingtao, and Dairen, where storage facilities are available. In recent months there has been an increase in this traffic in jet kerosene and high-octane gasoline coming from the Black Sea ports to Chinese Communist ports, where storage depots are available for military operations directed

against Formosa, Quemoy, and other islands on the Formosa Straits.

Increasing Tensions in Formosa Area

You will recall my statement in this committee of December 9⁷ in which I described briefly the actions taken by the Chinese Communist regime in recent months in increasing tensions in the Formosa area not only through intensive and systematic propaganda for war but by armed attacks on the territory held by the Government of China. The situation confronting the Chinese Government is indeed ominous.

Here is the Chinese Communist Minister of Defense, Peng Te-huai—the same general who commanded the so-called Chinese People's Volunteers in Korea—proclaiming to the vast army under his control, in an order of the day, October 1, 1954, that "the struggle to liberate Taiwan . . . is still an unfinished task in the Chinese People's war of liberation."

We have also the Chinese Communist Prime Minister and Foreign Minister Chou En-lai declaring that "Taiwan must be liberated" and Chiang Kai-shek's government "liquidated," while the Chinese Communist Army men on the coast facing Taiwan are openly exhorted to prepare for combat. And while all this is going on, the Soviet Union is busily pouring thousands of tons of jet fuel for the Chinese Communist Air Force into storage depots on the Chinese mainland. During 1954, 17 tankers with approximately 90,000 tons of petroleum from the Soviet bloc arrived at Chinese Communist ports.

This is the background against which we should consider the actions taken by the Soviet Government in submitting this and the previous propaganda item to the General Assembly. The Soviet objective is to have the United Nations preside over and assist in the liquidation of the freedom of Formosa. It seeks to undermine the measures of self-defense being taken by the Government of the Republic of China and to render it helpless to resist any armed assault which the Chinese Communist partners of the Soviet Union are apparently preparing from the mainland. If the Soviet motives were genuinely those of seeking to relieve tensions, these sinister objectives would not be pressed. The Soviets would instead moderate

⁷ *Ibid.*, Dec. 20, 1954, p. 957.

their partners who are whipping up a frenzy for continuing the so-called unfinished war of "liberation" against Formosa.

So, fellow delegates, once again this committee is face to face with the same Soviet maneuver in a new uniform.

As I said in conclusion on December 9 in connection with the analysis of who is planning and actually carrying on aggression in the China area, in the face of all these overt acts of aggression and violence, those who support Red China in this body are now asking us to condemn as "aggression" the adoption of a posture of resistance to their imperial ambitions. To bow to this demand would be to adopt the principle that self-defense against Communist attack is an international crime.

In the face of the dangerous military situation confronting his country, the Chinese delegate [T. F. Tsiang] has taken an eminently reasonable position as to the way to deal with the question before us. He has reminded us that in the past the substantial majority of differences arising from incidents of the type referred to in the explanatory memorandum of the Soviet Union have been solved on the basis of negotiations, taking into account the individual circumstances surrounding each case. His stand is moderate and practical. It paves the way for the settlement, by means of negotiation or other peaceful procedure, of differences which may have arisen in connection with the activities of the Chinese naval vessels in the waters surrounding Formosa.

My Government believes this general approach is sound.

As to the Soviet resolution, we have already shown that it belongs to the same family as the Soviet resolution on aggression, which this committee rejected decisively on December 10. This and the aggression resolution are both based on the same false premise. The resolutions were introduced for the same transparent purpose of inflammatory propaganda. Therefore this resolution deserves exactly the same treatment as its predecessors. In our view, it is entirely unacceptable. It should be rejected.

STATEMENT OF DECEMBER 14

U.S. delegation press release 2087

I will be really very brief exercising the right of reply.

We have really been treated this afternoon to a

superb demonstration of the points that I was trying to make yesterday with respect to the propaganda content of this Soviet resolution. Today my Government—and I guess myself—have been challenged on innumerable points by the representatives of the Soviet Union, Poland, and Czechoslovakia. Most of them are beside the point. The point before us is this resolution, and I would like just to try to bring the discussion back.

It was rather entertaining to hear the distinguished delegate from Czechoslovakia [Gertruda Sekaninova] quote the old Czech proverb which, if I understood correctly, was "Ja nic, ja musikant." She translated it into something having to do with being caught in the cookie jar. Now, actually, what those words mean—what the proverb says is, "I am not involved here, I am only a musician." That is particularly apt in connection with this afternoon's discussion and what we heard yesterday from the Soviet bloc. There was a time when everybody played their own tune, only this time we have been treated to a whole series of variations on one theme.

Now, trying to get back to the resolution before us, the Soviet representative and his friends here allege that the United States has seized and occupied Formosa. The fact is that the United States has extended aid and protection to the Chinese Government on Formosa in its time of danger and at the express request of that Government. Furthermore, they allege that the United States military forces are in charge of Formosa. The fact is, as I have said before, that there are some 800 American military personnel on the island as contrasted with probably half a million military personnel of the Government there.

Mr. Malik has made much of the fact that, because the Seventh Fleet patrols the area, the United States controls whatever happens there. The distinguished delegate from the United Kingdom [Ivor T. M. Pink] I think has taken care of that point better than I could. I would simply be repeating what he said. There is a difference between patrol and control, at least in the English language.

Finally, the Polish representative alleges that the United States played a part in forcing Polish seamen to come to the United States. Well, that just isn't so, and the facts are quite the reverse. The record of Polish naval defections to the West in the past 5 years is estimated at 1,000 Polish

seamen alone, which is a somewhat clear indication of what the situation is.

Now, since the Soviet resolution, supported by the Soviet delegation and the Soviet bloc speeches, says that the United States seized Formosa, that the United States military control Formosa, that the United States controls the vessels of the Chinese Government, that the United States aircraft have fired upon Polish ships, that the United States is party to coercion against members of the crews of foreign ships in Formosa, that the United States has seized vessels of foreign governments—since none of these accusations are true, the United States categorically and completely rejects the Soviet resolution.

STATEMENT OF DECEMBER 15

U.S. delegation press release 2089

The *Ad Hoc* Political Committee has been considering the current item proposed by the U.S.S.R. and a draft resolution submitted by the Soviet delegation, with reference to particular incidents involving certain ships in the China seas. This debate, by its very nature, could not deal adequately with those general principles of international law which would govern the actions of states with respect to the regime of the high seas, nor is this committee actually the proper forum for such a debate.

The draft resolution proposed yesterday by the distinguished delegate of Syria [Adib Daoudy] would make pronouncements concerning the whole question of the regime of the high seas. There has not been such a consideration of the subject matter in this committee nor indeed in the competent United Nations bodies as would warrant our proceeding here with this type of resolution. The subject matter of the Syrian draft resolution is one which ought to be dealt with in the context of a full and expert consideration of the complex questions of international law which are involved.

Such a study is in fact under way at the present time in the International Law Commission. The Commission has requested the comments of governments on its drafts and has just been requested by the Assembly itself to submit its final report to the eleventh session of the General Assembly on this whole matter.

It would appear appropriate therefore for our committee to transmit the Syrian resolution along

with the records of our debate here to the International Law Commission. It would also be useful to invite governments to make known their views concerning the principle of freedom of navigation on the high seas to the International Law Commission, so that the Commission might take these views into account in the preparation of its final reports.

This would seem a sounder way to proceed than for the General Assembly on the recommendation of the *Ad Hoc* Political Committee to adopt hastily a resolution whose consequences might be far-reaching. It would be imprudent for the Assembly to act on the basis of a clearly insufficient debate.

For these reasons my delegation, joining with the delegations of Cuba and the Philippines, is submitting the following resolution.⁸ It goes without saying that this resolution should be voted on immediately after the vote on the Soviet proposal. If there should be any question on this, I shall make a motion to that effect.

PLENARY STATEMENT OF DECEMBER 17

U.S. delegation press release 2097

When the Soviet delegation presented its original resolution on the matter of the high-seas piracy of the United States Navy, we labeled that item a propaganda item. We tied it in with a previous item, the aggression item, which was also a propaganda item. And we tied those two in with an earlier item, the Czech resolution on war propaganda—the correctly named one—and we tied them all together.

Immediately an anguished howl went up from the Soviet bloc. What do you mean propaganda? This is substantive; this is serious; this is peace; this is freedom; this is all the great big words. And we listened to 3 days of debate of a degree of vilification and violence, intemperance and inflammatory language from them that is well-nigh indescribable, including one day such coarseness and vulgarity from one of the Soviet bloc members that he had to be rebuked by the chair.

In an effort to get things going and to smooth things over, the Syrian delegation introduced a resolution, a substitute resolution. The following day the Soviet delegation announced to an as-

tounded *Ad Hoc* Political Committee that they were not pressing their resolution and instead would back the Syrian resolution. In other words, they did not even have enough conviction about their resolution to go down fighting on it.

That is what I meant when I said originally that this was a propaganda item, and it is still today a propaganda item. They proved it themselves the day before yesterday when they said they would not press it.

Now, three Soviet bloc delegates have spoken here this morning on this item, and they have spoken just as though what was before this group was their original resolution. They went through the same victrola record all over again three times—and we still probably have two to go. Have they forgotten that the day before yesterday they said they were not going to press their item—they have not reintroduced it—and they said they were going to back the Syrian resolution? What kind of performance is this?

Shouldn't we here today stick to what is before us, namely, the resolution cosponsored by Cuba, the Philippines, and the United States?

The United States Government, in concert with those Governments, sponsored the draft resolution which was adopted by the *Ad Hoc* Political Committee by a substantial majority.

Since the *Ad Hoc* Political Committee debated for the most part incidents involving certain ships in the China Seas, it could not deal adequately with those general principles of international law which would govern the actions of states with respect to the regime of the high seas. Nor did we believe that the *Ad Hoc* Political Committee was actually the proper forum for such a debate. The International Law Commission is already engaged in a study of the regime of the high seas and related questions and has already been requested by the General Assembly to be ready with its final reports for consideration of them at the Assembly's eleventh session. It seemed, therefore, appropriate to transmit to the International Law Commission the records of the debate in the *Ad Hoc* Political Committee on the present agenda item, together with relevant documents—and high among the relative documents is the draft resolution introduced by Syria—for the Commission's information in conjunction with the work now in progress on the regime of the high seas.

As I said earlier, it should be noted that the Soviet Union has in effect withdrawn its own

⁸ See page 1003.

Resolution on Freedom of Navigation

U.N. doc. A/AC.76/L.26

The General Assembly,

Recalling its resolution _____ (IX) of 14 December 1954 which inter alia requested the International Law Commission to complete its final report concerning the régime of the high seas, the régime of territorial waters and related problems in time for the General Assembly to consider these matters at its eleventh regular session,

1. Decides to transmit to the International Law Commission the records and documents, including the draft resolution of Syria contained in document A/AC.76/L.25, of the meetings of the Ad Hoc Political Committee at which item 71 of the agenda of the ninth regular session of the General Assembly was considered;

2. Invites the Governments of Member States to transmit to the International Law Commission their views concerning the principle of freedom of navigation on the high seas.

to in the explanatory memorandum of the Soviet Union have been solved on the basis of negotiations, taking into account the individual circumstances surrounding each case. My Government believes that this stand is sound and gives hope for the settlement, by means of negotiation or other peaceful procedure, of differences which may have arisen in connection with the activities of the Chinese naval vessels in the waters surrounding Formosa.

General Assembly Adopts Resolution on Admission of New Members

Following is the text of the resolution on "Admission of New Members to the United Nations" as adopted unanimously by the General Assembly on November 23. For a statement of the U.S. position by James J. Wadsworth, U.S. Representative, made in the Ad Hoc Political Committee on November 2, see BULLETIN of November 22, 1954, p. 786.

U.N. doc. A/Resolution/228

The General Assembly,

Noting the growing general feeling in favour of the universality of the United Nations, membership in which is open to all peace-loving States which accept the obligations contained in the Charter and, in the judgment of the Organization, are able and willing to carry out those obligations,

Having considered the report (A/2720) of the Committee of Good Offices established by General Assembly resolution 718 (VIII) of 23 October 1953,

Noting that, notwithstanding the best endeavours of the Committee of Good Offices, the problem remains unresolved,

Further noting the views recorded by the Committee of Good Offices that possibilities of reaching an understanding remain and that "different views may eventually be harmonized within the spirit of the Charter",

1. Expresses appreciation of the work and efforts of the Committee of Good Offices;

2. Decides to send back to the Security Council the pending applications for membership, together with a full record of the discussions at the present session of the General Assembly, for further consideration and positive recommendations;

3. Suggests that the Security Council consider the desirability of invoking the provisions of paragraph 2 of Article 28 of the Charter to help resolve the problem;

4. Requests the Committee of Good Offices to continue its efforts;

5. Requests the Security Council and the Committee of Good Offices to report to the General Assembly during the present session if possible and in any event during the tenth session.

resolution, conceded that its propaganda charges against the free world were hollow and unsubstantiated, and has confirmed our claim that this item was per se a propaganda item.

Now it is not my intention to weary the General Assembly with another point-by-point refutation such as we have been listening to this morning. However, I would remind the General Assembly that most of the Soviet charges made in the *Ad Hoc* Political Committee revolve around the alleged aggressive activities of the United States Navy in the area of Formosa. The Soviet resolution and the Soviet bloc statements are clear evidence that the purpose of this item and resolution was to make cold-war propaganda.

The mission of the United States Seventh Fleet in the Formosa area has nothing to do with controlling commercial traffic in these waters. It does not interfere with freedom of the seas. Its mission is to defend Formosa against hostile attack. There cannot be the slightest doubt that such a hostile attack is being threatened from the mainland, particularly in light of the fact that the Chinese Communist authorities have repeatedly gone on record as to their hostile intentions.

I would like to underscore the reasonable and practical approach taken by the Chinese delegate with respect to the questions discussed by the *Ad Hoc* Political Committee. He reminded us that in the past the substantial majority of differences arising from the incidents of the type referred

Increasing the Effectiveness of the U.N. Technical Assistance Program

STATEMENT BY JAMES P. NASH U.S. REPRESENTATIVE TO THE GENERAL ASSEMBLY¹

Technical assistance has become one of the most dynamic ways yet devised of increasing the welfare of people and their opportunities for advancement. It is probably one of the most universally supported programs of international economic cooperation. It involves a comparatively small expenditure for a tremendous amount of good.

Interest in the economic development of lesser developed countries has been expressed by my Government frequently and forcefully. In an address given only a few weeks ago, on October 20, in New York City, President Eisenhower said: "We must devise means by which more highly developed countries can assist peoples who face the difficulties of an earlier stage of economic development." One of the best ways to achieve this is through the United Nations expanded program of technical assistance.

For the first 3 years of this program the United States has contributed a total of \$36 million, or approximately 60 percent of all funds pledged to the central fund. For 1954, although our percentage share was reduced to approximately 51 percent of the total, the dollar amount of our pledge increased to \$13,861,809.

Although my Government is not in a position at this time to make a pledge for calendar year 1955, the President has authorized the United States delegation to state that he is prepared to request from the Congress funds for a United States contribution to the 1955 program. He hopes that the United Nations technical assistance program will continue to operate at least at its present level and that in the future it will obtain

increasing support from all governments. While the President's request to the Congress does not constitute a pledge and should not be so considered, it does indicate his continuing interest in this vital United Nations program.

The position of the United States on this subject has been fully stated in the letter of November 1, 1954, from Ambassador Lodge to the Chairman of the Negotiating Committee, Extra-Budgetary Funds.²

Let me turn now to the resolution adopted last summer by the Economic and Social Council relating to the administration of the program.³ Much serious thought has been given to this resolution by governments, by various delegations and within various bodies of the United Nations system. The principles involved have been thoroughly canvassed. In order to secure the widest possible support among all nations for an effective expanded multilateral technical assistance program on a continuing and stable basis, it is necessary that differences in points of view be reconciled.

It is likewise true in this program, as in so many other types of institutional endeavor, that very much depends on the attitudes of the individuals who, in the end, make up the institution. From this point of view, sympathetic understanding and reciprocal good will are frequently more important than legislative texts. The expanded program is no exception to this rule. We can all take satisfaction in the fact that the discussions which have gone on over the last 12 months with respect to these organizational arrangements have taken place in an atmosphere of mutual good will.

My delegation wishes to emphasize what must be clear to all who have become familiar with the workings of the expanded program: that is, that

¹ Made in Committee II (Economic and Financial) on Nov. 19 (U.S. delegation press release 2030).

² BULLETIN of Dec. 6, 1954, p. 879.

³ U.N. doc. E/Res. XVIII/18.

the participating organizations in this program are its operating arms, without which there would be no program at all. From the technical skill, the overall competence, and the devotion of these agencies have come the achievements of the program. My Government takes the position that the whole context in which the program operates must be one which utilizes fully the planning and operations of the specialized agencies within their respective spheres, in order that their demonstrated effectiveness may be continued at a high level of performance. What we are seeking is closer and more effective coordination and not centralization.

From this point of view, my delegation wishes to establish clearly our understanding of the way the procedures outlined in the resolution will work.

First, we would assume it to be thoroughly understood that the activities of resident representatives, including the development of country programs, are carried out in full cooperation with the field personnel of the participating organizations. This necessarily would require that the resident representative would consult with agency representatives on all matters affecting their agencies, would keep them informed of any developments that come to his knowledge, and would carry on negotiations affecting their programs jointly with them. As an obvious counterpart to this, agency representatives would of course similarly keep the resident representative informed.

Also, with regard to resident representatives, we assume, of course, that these officials will not have technical staffs of their own and that they depend upon the personnel of the participating agencies in development and execution of the country programs.

Second, the same thought would carry over to the staffing of the Technical Assistance Board. We assume that the TAB will continue to look to the participating organizations for substantive assistance in the technical fields and that the TAB staff will be concerned with those aspects of the program which involve general problems and interrelationships transcending the particular field of concern of any one of the participating organizations. We certainly would not wish to see the growth of a new and costly bureaucracy.

Third, the resolution provides that the Technical Assistance Committee should review the overall program in the light of its importance for economic development. The resolution specifi-

cally provides that the review should not deal with country allocations or with the technical aspects of the program or with the national development plans of the respective governments. The resolution indicates that TAC shall be concerned with overall priorities, evaluation of the projects, and the program interrelationships.

We would like to explain our understanding of paragraph 1 (b) (iv) of the resolution.⁴ In order that the concept of country planning can be given the widest practicable application and at the same time provision can be made for adequate overall review, we understand that in the review and approval of the program by TAC there will be no material shifting of programs or reallocation of funds among the specialized agencies or among the agencies within any given country for the given year. The evaluation and review authorized to be made by TAC under the present resolution is much the same as has been authorized in the past, an evaluation and review of the program as authorized in TAC's original terms of reference—"to make for the Council critical examinations of activities undertaken and results achieved under the Expanded Program of Technical Assistance." As we see it, the committee will continue to be largely concerned with eliminating duplication and achieving more effective coordination.

Fourth, with respect to the allocation of the 5 percent "free money,"⁵ the executive chairman has himself declared that he "will consult with the participating organizations as appropriate." To remove any possible ambiguity about this statement, my delegation would assume it to be understood that the executive chairman would consult either with the agencies or with TAB with respect to the allocation of the free money.

Mr. Chairman, I do not want to end my remarks with technical comment on procedures, important though these are to the effectiveness of the entire program. I want to say once again that the idea of technical assistance is a deeply rooted part of United States policy. My Government recognizes the importance of technical assistance in promoting the economic development of the underdeveloped countries. It has strongly supported the United Nations expanded program since its inception.

⁴ See annex III to A/Resolution/229.

⁵ See annex III, paragraph (b) (v).

TEXT OF RESOLUTION⁶

U.N. doc. A/Resolution/229

The General Assembly,

Having considered the report of the Economic and Social Council regarding the Expanded Programme of Technical Assistance,⁷

Mindful that this Programme constitutes one of the most fruitful achievements of the United Nations,

Convinced that a further expansion of this Programme would contribute substantially to the promotion of economic development and social progress in the under-developed countries,

Noting with satisfaction the wide moral and material support given so far to the Expanded Programme and the readiness of Governments to contribute to this enterprise of international co-operation,

Considering that the Economic and Social Council has taken steps to ensure that the Expanded Programme is operated with increased efficiency,

Recognizing the need for adequate programme planning at the country level and the important role of the participating organizations whose technical skills and competence make possible the achievements of the Programme, and also being desirous of promoting more effective co-ordination of the work of the participating organizations in order that the whole Programme might be more effective,

Considering, in particular, resolutions 521 A (XVII) and 542 B (XVIII) of the Economic and Social Council,

Having noted the first report (A/2661) of the Advisory Committee on Administrative and Budgetary Questions to the ninth session of the General Assembly relating to the Expanded Programme, and having welcomed the statement of the Secretary-General that the Administrative Committee on Co-ordination would, in its forthcoming study of the organizational relationships in the Expanded Programme, take full account of this report,

A

1. *Invites* Governments to give the fullest support to the Expanded Programme of Technical Assistance and to announce their pledges for the year 1955 at the forthcoming Fifth United Nations Technical Assistance Conference, in order to ensure the continued growth of the Programme;

2. *Recommends* that Governments and participating organizations continue to pay due regard to making the aims and operations of the Expanded Programme of Technical Assistance more widely known;

⁶ Sponsored by Argentina, Australia, Chile, Egypt, El Salvador, France, India, Indonesia, Iraq, the Netherlands, Norway, Saudi Arabia, Sweden, the United Kingdom, Venezuela, and Yugoslavia; adopted unanimously by Committee II on Nov. 24 and by the General Assembly on Nov. 26.

⁷ See *Official Records of the General Assembly, Ninth Session, Supplement No. 3*, doc. A/2686, chapter III.

B

1. *Approves* the arrangements recommended by the Economic and Social Council and reproduced in annex I to the present resolution regarding the reconstitution of the Special Reserve Fund of the Expanded Programme as a Working Capital and Reserve Fund;

2. *Approves* the recommendation of the Council that the financial arrangements for the year 1954 as laid down in Council resolution 492 C (XVI), section II, and reproduced in annex II to the present resolution, be continued for the year 1955;

3. *Approves* the recommendations of the Council regarding the future system of allocation of funds under the Expanded Programme, outlined in annex III to the present resolution and included in Council resolution 542 B (XVIII), section II, amending resolutions 222 (IX) and 433 (XIV);

4. *Requests* the Council to study the means of securing, where possible, contributions to the Expanded Programme on a continuing basis;

C

Refers to the Economic and Social Council the comments and recommendations contained in the first report of the Advisory Committee on Administrative and Budgetary Questions to the ninth session of the General Assembly (A/2661);

D

Requests the Economic and Social Council to furnish to the General Assembly at its tenth session a report on the progress made in the consideration of the questions raised in the first report of the Advisory Committee on Administrative and Budgetary Questions to the ninth session together with the comments of the Advisory Committee on the report of the Council.

Annex I

WORKING CAPITAL AND RESERVE FUND OF THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE

(Recommended by the Economic and Social Council in resolution 521 A (XVII))

(a) The Special Reserve Fund shall be reconstituted as a Working Capital and Reserve Fund, which will serve as a continuing operating reserve and which may be used for the following purposes:

- (i) To make advances to participating organizations pending the receipt of contributions from Governments, for the purpose of initiating or continuing approved programmes within an organization's approved earmarkings;
- (ii) To improve and facilitate currency management, by making currencies available for exchange with organizations' allocated currencies, for the purchase of needed currencies pending collection of particular contributions, and for advances of currencies which would otherwise have to be purchased by organizations with dollars;
- (iii) For such other purposes as may be approved by the Technical Assistance Committee from time to time;

(b) The size of the Working Capital and Reserve Fund shall be determined from time to time by the Technical Assistance Committee;

(c) Withdrawals from the Working Capital and Reserve Fund shall be replaced before the end of the financial period in which they are made.

Annex II

FINANCIAL ARRANGEMENTS FOR 1955

(From paragraph 5 of section II of resolution 492 C (XVI) of the Economic and Social Council)

(a) Seventy-five per cent of total funds available, excluding carry-over, shall be available for allocation to the participating organizations after approval of country programmes by the Technical Assistance Board, in accordance with the percentages set forth in paragraph 8 (c) ^a of Council resolution 222 (IX) as amended and modified pursuant to paragraph 19 of the report of the Technical Assistance Committee to the thirteenth session of the Council;

(b) The balance of funds available, including carry-over, shall be retained in the Special Account (i) to cover the necessary minimum expenses of TAB and the resident representatives; and (ii) for further allocation to the participating organizations, as provided in Council resolution 433 (XIV);

(c) In establishing the level of the necessary administrative expense in the whole Programme, the need for economy, in view of the present level of operational expenditure, shall be fully taken into account.

Annex III

SYSTEM OF ALLOCATION OF FUNDS UNDER THE EXPANDED PROGRAMME

(Approved by the Economic and Social Council in paragraph 1 of section II of resolution 542 B (XVIII))

(a) As from 1 January 1955 and in relation to the programme for 1956 and subsequent years, the funds of the Expanded Programme of Technical Assistance shall no longer be allocated to the organizations participating in the Programme on the basis of percentages fixed in advance. The funds shall be distributed on the basis of the requests submitted by Governments and the priorities established by them, subject to the provisions of paragraph (b) below;

(b) The planning and approval of the programmes, and the allocation of funds for their implementation, shall be subject to the following procedure and principles:

(i) TAB shall formulate early in the year, as a guide in planning country and regional programmes, target figures showing the amount of expenditure on technical assistance which it may be possible to undertake during the ensuing year on the basis of an assumed financial availability. In order to ensure stable programming, sharp reductions in country target figures in any single year should normally be avoided, subject to the availability of financial resources. Country target figures, including agency sub-totals for each of the participating organizations, derived from their activities during the preceding year, shall be communicated to the respective Governments. Governments shall, however, be at liberty to present their requests without being bound by these sub-totals;

^a Formerly paragraph 9 (c).

(ii) Programmes shall be drawn up at the country level by the requesting Governments, in consultation with the resident representatives or such representatives of TAB as may be specially assigned for the purpose, due regard being paid to continuing commitments. Participating organizations shall continue to be responsible for advising and assisting the appropriate Government authorities in the technical planning of individual projects. The responsibility for co-ordinating consultations between Governments and participating organizations shall rest with the resident representatives or such representatives of TAB as may be specially assigned for the purpose;

(iii) The country programmes shall be forwarded by requesting Governments, with an indication of the priorities established by them, to TAB through the resident representatives. TAB shall consider the programmes, draw up the over-all Programme for the following year, including estimates of administrative and indirect operational costs, and submit it, with its recommendations, to TAC. In drawing up the Programme, TAB shall ensure that the ratio between the programmes to be implemented by the different participating organizations will make possible the authorization of allocations in accordance with sub-paragraph (vi) below;

(iv) TAC shall review the over-all Programme in the light of its importance for economic development; this review should not deal with country allocations or with the technical aspects of the Programme or the national development plans of the respective Governments, but should be concerned with over-all priorities, evaluation of the projects and the programme inter-relationships. On the basis of this review, TAC shall approve the Programme, and its approval shall be a prerequisite for any commitment in regard to the implementation of the Programme. The preparation and review of the Programme and all other necessary steps shall be carried out in such a way that TAC will be in a position to approve the over-all Programme and authorize allocations to the participating organizations by 30 November, at the latest;

(v) Subject to the confirmation of the General Assembly, TAC shall authorize the allocation of funds to each of the participating organizations in proportion to their share in the approved over-all Programme, subject to paragraph (vi) below. These funds shall be drawn from the net financial resources, after setting aside the expenses of the TAB secretariat, the Reserve and Working Capital Fund, and a sum amounting to 5 per cent of the estimated resources for the financial year, which shall be allocated by the Executive Chairman of TAB to meet any urgent needs which may arise during the implementation of the annual Programme;

(vi) In order to avoid substantial fluctuations in the total amounts entrusted to each participating organization from year to year, the amount allocated to each of them for the coming year shall not be less than 85 per cent of the amount allocated to them under the current year's Programme, except that, if the estimated net financial resources for the ensuing year fall below the total allocations made during the current year, the amount allocated to each participating organization shall not be less than 85 per cent of its proportion of the allocations for the current year;

(vii) Any extraordinary requests submitted by a Government for modification of the programme, received subsequent to TAC approval of the annual Programme, may be approved by TAB and reported

to Tao at its next meeting. Should it not be possible to effect necessary increases and decreases within the programme of the country concerned, the funds available for allocation by the Executive Chairman under paragraph (v) may be used for this purpose;

(c) Tac shall continue to be under the authority of the Economic and Social Council, and its decisions subject to general policy review by the Council;

(d) The appropriate organs of the participating organizations are requested to continue to review the technical aspects of the programmes for which they assume responsibility, in the same way, in so far as possible, as they examine their regular programmes.

Economic and Social Council's Work in Social Field

*Statement by Mrs. Oswald B. Lord
U.S. Representative to the General Assembly¹*

I should like at this time to express the views of the United States delegation on chapter IV and on several sections of chapter V of the Report of the Economic and Social Council.² Later in our debate my colleague, Mr. Johnson, will discuss the parts of chapter V dealing with trade union rights, forced labor, and slavery.

Chapter IV of the report of the Council hardly does justice to the wide range of activity carried on by the United Nations in the social field. The report summarizes the action taken by the Council and its Commissions, but it makes no mention of the work of the Secretariat. For this reason, may I call the attention of the Committee to the Annual Report of the Secretary General on the Work of the Organization³ which, on pages 60 to 63, summarizes the activities of the Secretariat in the whole social field. Inasmuch as you have very properly ruled, Mr. Chairman, that members of the Committee must confine their remarks to chapter IV and chapter V of the report, I shall not comment on these activities, even though they are relevant to our discussion. In order to prevent a recurrence of this difficulty next year, may I suggest to the Secretariat that the Report of the Economic and Social Council should include a brief summary of the work of the Secretariat, or

¹ Made in Committee III (Social, Humanitarian, and Cultural) on Nov. 19 (U. S. delegation press release 2028).

² U.N. doc. A/2686.

³ U.N. doc. A/2663.

perhaps a paragraph referring to the pertinent aspects of the Report of the Secretary General. In that way we would be able next year to discuss the work of the Secretariat within the confines of chapters IV and V of the Report of the Council.

Turning now to section II of chapter IV, I should like to pay tribute to the work of UNICEF. Last year the General Assembly changed the name of UNICEF and removed the word "Emergency."³ This change reflected a significant development in the programs of UNICEF. It reflected the firmly established trend toward projects which promote the development of permanent services for children, especially in underdeveloped countries. Aid for maternal and child health programs has reached a volume comparable to the big mass health campaigns. This is a welcome trend, because it means that health and community services, particularly in rural areas, can consolidate and continue the achievements gained in the mass health campaigns.

In some instances governments are beginning to take over activities initiated or aided by UNICEF and are continuing them on their own account. This is a heartening development, and my delegation hopes that there will be an increasing number of such instances. Having been associated with the earlier work of UNICEF, when the emphasis was necessarily on emergency programs, I am personally very pleased with this new development. In fact, this is the real test of the success of UNICEF. This is the real test that the work of UNICEF is bringing permanent results—the kind of permanent results which the General Assembly has emphasized in its resolutions concerning UNICEF. It is essential that UNICEF direct its activities to effecting not temporary but permanent improvement in the health and well-being of children.

United States representatives in the Executive Board of UNICEF, the Social Commission, and the Economic and Social Council have repeatedly emphasized the importance of the closest possible coordination between the work of UNICEF and that of the specialized agencies, as well as the social welfare program of the United Nations itself. My delegation is pleased that much has been done to provide for close collaboration between UNICEF and the World Health Organization, and it urges that this collaboration be continued and strengthened. Similar collaboration, especially in the planning of joint projects, should be further developed between UNICEF and UNESCO, and between

UNICEF and the Food and Agriculture Organization.

One development which was of concern to the United States delegation at the last session of the Council is worth mentioning before this Committee. I am referring to the new policy by which UNICEF undertakes the financing of limited local costs. I just wish to repeat the concern of the United States delegation that this new policy, unless applied with proper caution, could undermine the important self-help character of UNICEF aid—a characteristic which we recognize is of cardinal significance in the development of permanent and lasting benefits for children.

Work in the Narcotics Field

May I turn now, Mr. Chairman, to the work of the United Nations in the field of narcotics. This is a subject of vital importance to the United States Government, because it directly affects the lives and well-being of many thousands of our citizens and the safety of our whole population. Our Government has always supported, and will continue to support, international action to control the manufacture and trade in narcotic drugs.⁴ This is a kind of "collective security"—security from the illicit traffic in drugs—to which all governments should give their fullest support.

One of the most important developments in recent years has been the conclusion of the International Opium Protocol in June 1953. The Protocol represents a major step forward in the international system for controlling narcotics. It will result in reducing the quantity of opium available for the illicit traffic. I am happy to report, Mr. Chairman, that the United States was one of the 36 states which signed the Protocol. The United States Senate, last August, voted 71 to 0 to give its advice and consent to ratification. My delegation earnestly hopes that the Protocol will be ratified by the largest possible number of states, in order that the illicit traffic in drugs—surely one of the great evils of our times—may be brought under control.

An earlier step in this common effort to control the traffic in drugs was the conclusion of the Protocol on Synthetic Drugs in 1948. This Protocol has been ratified by 43 states. Because of the importance of controlling this new category of drugs,

my delegation hopes that many more states will ratify the Protocol.

It is also gratifying to my delegation to see that the majority of the nations of the world have outlawed the synthesis and importation of heroin. Our medical colleagues tell us that heroin is not indispensable to medical practice. There are, however, a few nations which continue to permit the synthesis and importation of this drug, which is highly dangerous from the standpoint of producing addiction.

Finally, Mr. Chairman, may I point out that the origin of much of the narcotics seized in illicit traffic can be traced to Communist China. Reports indicate that the volume of this nefarious trade is indeed large. When one takes into consideration the all-embracing controls in effect in a police state such as Communist China, one cannot but conclude that there is at least official complicity in this illegal traffic.

For this reason, our delegation supports the recommendation made earlier in the debate by the distinguished representative of China that special attention should be paid to this problem.

Turning now, Mr. Chairman, to chapter V of the report, may I comment very briefly on section VI, concerning freedom of information. I had intended to speak at some length in our general debate on the subject of freedom of information and its relation to human rights. However, Mr. Chairman, I shall try to heed your appeal to avoid, so far as possible, a double debate on subjects that form separate items later on our agenda. I shall do no more, therefore, than express general endorsement for the action taken by the Economic and Social Council to promote freedom of information. Our delegation will wholeheartedly support the recommendation of the Council that the Secretary-General be authorized to provide technical assistance, on the request of governments, in the field of freedom of information. As Mr. Johnson will explain when the Committee reaches the next item, our Government reaffirms its devotion to the freedom of speech and freedom of the press and desires to cooperate in every activity of the United Nations designed to promote these essential freedoms.

Status of Women

Similarly, Mr. Chairman, it will not be necessary for me to enter into a lengthy discussion of

⁴ For an article on this subject, see BULLETIN of Sept. 13, 1954, p. 366.

section XI, concerning the status of women, since one issue in that field will be debated later on our agenda. May I express the appreciation of my delegation, however, for the steady progress that is being made, year by year, in the achievement of political rights by women throughout the world. The latest report of the Secretary-General showed that women now enjoy full political rights in 60 countries. Since the publication of that report, the Government of Colombia has taken action extending full political rights to women. I understand also that the President of Peru, where women enjoy only limited voting rights, has also indicated interest in equal suffrage. I should like to take this opportunity of congratulating the representatives of those countries on their progress in assuring equality for women. In particular, may I congratulate our colleague in this Committee, Miss Aguilar of Peru, for her leadership in this cause.

In stressing political rights, Mr. Chairman, I do not overlook the need for promoting equal rights for women in the economic, social, and cultural fields. I stress political rights, and the progress that is being made toward wiping out the old forms of discrimination that still remain in a few countries, because history shows that equal suffrage is a prerequisite for equal rights in other fields.

The Commission on the Status of Women has been giving special attention to all of these problems and has developed a number of useful methods for dealing with them. However, some of the resolutions proposed in the Commission—like the one of private law that is on our agenda—have been so completely directed toward the specific provisions of the legislation of Member States and so encumbered with details that the United States representative in the Commission, Mrs. Hahn, has been unable to vote for them. I should hope that, in the future, the Commission might devote more attention to practical measures for promoting rights for women, especially through education.

One part of chapter V that requires no action at this session of the General Assembly is section II, dealing with self-determination. The Commission on Human Rights has already been requested by the Council to give further study to the preparation of recommendations on measures for promoting the right of self-determination. Since the question of self-determination is of considerable

interest to this Committee, however, I should like to outline briefly the views of my Government.

My delegation wishes to reaffirm that the United States, in accordance with its own traditions and with the Charter of the United Nations, upholds the principle of equal rights and self-determination of peoples. The United States will continue to support the principle of self-determination and to encourage the development of a free society of nations where each may be free to enjoy government and other institutions of its own choosing.

Principle of Self-Determination

Only 2 months ago, the United States and seven other nations proclaimed at Manila the Pacific Charter, which fully recognizes the principle of self-determination. The Pacific Charter states:

First, in accordance with the provisions of the United Nations Charter, they [the signatory states] uphold the principle of equal rights and self-determination of peoples and they will earnestly strive by every peaceful means to promote self-government and to secure the independence of all countries whose peoples desire it and are able to undertake its responsibilities;

Second, they are each prepared to continue taking effective practical measures to ensure conditions favorable to the orderly achievement of the foregoing purposes in accordance with their constitutional procedures.

As Secretary Dulles said after the Manila Conference: "The Pacific Charter, on which the East and the West did meet, may well prove to be the most momentous product of the Conference."

Some of the speakers in our debates have left the impression that the right of self-determination relates only to non-self-governing and trust territories. I should like to point out, however, that the right of self-determination relates not only to the old colonial empires but also to the new Communist empire in Europe and Asia. In fact, the problem of self-determination is much more significant and urgent in the vast new empire that now extends from the Baltic Sea to the Pacific Ocean. I fear that some of our members have become so concerned about the problem of self-determination in non-self-governing territories, especially two or three territories in North Africa, that they have completely overlooked the problem of self-determination in a vastly larger area of the world.

Finally, Mr. Chairman, may I comment briefly on section III of chapter V, entitled "Development of the Work of the United Nations for Wider

Observance of, and Respect for, Human Rights and Fundamental Freedoms Throughout the World." This rather formidable title accurately describes the task of the next session of the Commission on Human Rights. During its first 10 sessions, the Commission has been largely preoccupied with the drafting of international instruments—first, the Universal Declaration of Human Rights, and, more recently, the Draft Covenants. For the first time in 10 years, the Commission will be able to give its full attention not only to the report of the Subcommission on Discrimination and Minorities but also to all other items on its agenda.

The most important task before the Commission, now that the Draft Covenants have gone forward to the General Assembly, will be to devise practical measures for promoting human rights. The agenda of the Commission already contains a number of different proposals concerning such practical measures for the promotion of human rights—proposals from various governments, from the Secretary-General, and from nongovernmental organizations. My Government, for example, has introduced three proposals for an action program, encompassing biennial reports from governments, special studies of individual rights, and technical assistance.⁵

These proposals have received support from many of the governments, specialized agencies, and nongovernmental agencies that have had the opportunity to study them. Many constructive comments and suggestions about these proposals have already come in. These comments and suggestions will provide a useful basis for the discussion of these proposals at the next session of the Commission.

All of these many proposals will require careful study and discussion by the Commission. The really significant thing is that the Commission will have an opportunity to review all these proposals, to improve and perfect them, and to consolidate them into a practicable program for fostering human liberty.

In conclusion, Mr. Chairman, the Report of the Council shows that the United Nations is moving ahead in the broad program of practical action in the social field, in improving conditions for families and children, and in promoting freedom of information, the status of women, and human

rights in general. It is experimenting with many different techniques and methods. It is turning the spotlight of public opinion on the need to further human freedom and on the need to remedy violations of human rights when they occur. Progress is necessarily slow, but the very fact that our organization is debating these problems, and is trying to find solutions for them, should give encouragement and hope to peoples everywhere.

U. N. High Commissioner's Advisory Committee on Refugees

The Department of State announced on December 6 (press release 698) that Christopher H. Phillips, Deputy Assistant Secretary of State for International Organization Affairs, would represent the U.S. Government at the fifth session of the U. N. High Commissioner's Advisory Committee on Refugees, convening at Geneva, Switzerland, on that day. Mr. Phillips is assisted by one adviser, Henry F. Nichol, conference attaché, Resident U. S. Delegation to International Organizations at Geneva.

By a resolution of December 3, 1949, the General Assembly of the United Nations created a High Commissioner's Office for Refugees to provide for the legal and political protection of refugees and displaced persons. G. J. van Heuven Goedhart of the Netherlands was elected High Commissioner for a 3-year term beginning January 1, 1951, and was subsequently reelected for a 5-year term beginning January 1, 1954.

In response to a request by the High Commissioner, made in accordance with the statute of his office, the Economic and Social Council of the United Nations on September 10, 1951, established the U. N. High Commissioner's Advisory Committee on Refugees. This Committee is composed of the representatives of the Vatican and the following governments, both members and nonmembers of the United Nations, which have demonstrated an interest in and devotion to the refugee problem: Australia, Austria, Belgium, Brazil, Denmark, Federal Republic of Germany, France, Israel, Italy, Switzerland, Turkey, United Kingdom, United States, and Venezuela.

In a report on the activities of his office for the period June 1953 to May 1954, the High Commissioner dealt, among other things, with the pos-

⁵ *Ibid.*, Nov. 23, 1953, p. 727.

sibility of promoting permanent solutions for the problems of the most needy refugees of concern to his office. Reference was made to the belief that, since few refugees desired to be repatriated and since the opportunities for overseas settlement were limited, stress should be placed on efforts to integrate refugees into the economies of their countries of residence. A program, developed on the basis of experience gained with a Ford Foundation grant, was outlined for the promotion of permanent solutions for the problems of refugees. That program was primarily designed to stimulate the integration of refugees into agriculture; their establishment in trades, small businesses, and professions; the construction of housing; the vocational training and retraining of refugees to facilitate their integration or resettlement; aid to university students; the creation of community centers; the promotion of resettlement opportunities overseas; and the establishment of resettlement counseling services for refugees.

Study of the matter by Ecosoc at its eighteenth session (Geneva, June 29-August 6, 1954) and

then by the General Assembly at its current session resulted in (1) authorization to the High Commissioner to undertake the program; (2) authorization to the High Commissioner to make appeals for funds for the promotion of permanent solutions for the problems of refugees, as well as for the provision of emergency assistance to the most destitute cases; and (3) a decision that Ecosoc, on the basis of recommendations to be made by the High Commissioner upon the advice of his Advisory Committee, should (a) "establish an Executive Committee responsible for giving directives to the High Commissioner in carrying out his programme and for exercising the necessary controls in the use of funds" or (b) "revise the terms of reference and composition of the Advisory Committee in order to enable it to carry out the same duties."

The basic task of the fifth session of the Advisory Committee will be to consider the High Commissioner's proposal and to determine the amount of the funds to be sought in the form of voluntary contributions to finance the new program.

Current U.N. Documents: A Selected Bibliography¹

General Assembly

- Supplementary List of Items for the Agenda of the Ninth Regular Session of the General Assembly: Item Proposed by Australia. Admission to the United Nations of Laos and Cambodia. Letter dated 22 August 1954 from the Minister of State for External Affairs of Australia, addressed to the Secretary-General. A/2709/Add.1, August 31, 1954. 4 pp. mimeo.
- Draft International Covenants on Human Rights. Note by the Secretary-General. A/2714, August 31, 1954. 5 pp. mimeo.
- Admission of New Members. Report of the Committee of Good Offices. A/2720, September 9, 1954. 3 pp. mimeo.
- Draft Report of the Committee on Information from Non-self-governing Territories. A/AC.35/L.184, September 10, 1954. 37 pp. mimeo.
- Treatment of People of Indian Origin in the Union of South Africa. Report of the United Nations Good Offices Commission. A/2723, September 15, 1954. 5 pp. mimeo.
- Report of the United Nations High Commissioner for Refugees. Addendum. A/2648/Add.2, September 15, 1954. 20 pp. mimeo.

¹ Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N. Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

- Adoption of the Agenda and Allocation of Items to Committees. Memorandum by the Secretary-General. A/BUR/138, September 16, 1954. 13 pp. mimeo.
- Economic Development of Under-developed Countries. Question of the Establishment of a Special United Nations Fund for Economic Development. Summary of comments of Governments on the report of the Committee of Nine made in accordance with General Assembly resolution 724 B (VIII). Presented by the Secretary-General. A/2727, September 17, 1954. 36 pp. mimeo.
- Question of South West Africa. Supplement to the report of the Committee on South West Africa to the General Assembly. A/2666/Add.1, September 17, 1954. 16 pp. mimeo.
- Organization of the Secretariat. Report of the Secretary-General. A/2731, September 21, 1954. 24 pp. mimeo.
- Agenda of the Ninth Regular Session of the General Assembly. Adopted by the General Assembly at its 476th, 477th and 478th plenary meetings on 24 and 25 September 1954. A/2737, September 25, 1954. 5 pp. mimeo.
- International Co-operation in Developing the Peaceful Uses of Atomic Energy. Letter dated 25 September 1954 from the Representative of the United States of America to the United Nations, addressed to the Secretary-General [transmitting copies of communications exchanged by the U.S. and the U.S.S.R.]. A/2738, September 27, 1954. 39 pp. mimeo.
- Application, Under the Auspices of the United Nations, of the Principle of Equal Rights and Self-determination of Peoples in the case of the Population of the Island of Cyprus. Letter dated 25 September 1954 from the Permanent Representative of Greece addressed to the Secretary-General. A/C.1/747, September 27, 1954. 10 pp. mimeo.

PUBLICATIONS

Foreign Relations Volume

Press release 712 dated December 10

The Department of State released on December 10 *Foreign Relations of the United States, 1938, Volume III, The Far East*. This is the first of the series of five volumes of diplomatic correspondence to be published for the year 1938. Documents in this volume deal with the undeclared war between China and Japan and with problems arising from it. A second volume on the Far East in 1938 will appear shortly.

The deepening of the international crisis caused by the conflict in China and the danger of general war among the great powers form the principal subjects of this volume of papers from State Department files. The prominent role played by the Soviet Union and by Chinese Communists in developing the situation is pictured in many documents now published for the first time.

Significant reports on the chance of mediation, on the possibility of war between the powers, on the future of the Republic of China, and on specific problems resulting from intensification of the undeclared war are revealed under seven general headings. These cover politico-military developments, Manchuria, China's appeal to the League of Nations for sanctions against Japan, financial and other aid by the powers to China, and questions relating to Japanese bombing activities and Japanese impairment of China's revenue administrations.

The documentation on the undeclared war consists of nearly 450 pages. It begins with a telegram from Ambassador Nelson T. Johnson at Hankow reporting Japanese terms submitted to China through the German Ambassador and concludes with a telegram from Adm. Harry E. Yarnell at Shanghai reporting the latest Japanese terms for restoration of peace. The question of mediation repeatedly crops up during the year.

The position of the United States was stated early in 1938 by Under Secretary of State Sumner Welles as follows (p. 47):

First, That action in the direction of mediation could be taken by this Government only if there came to it an

official indication from the Japanese Government and a similar indication from the Chinese Government that good offices or mediation by this Government are desired by those Governments respectively; Second, That this Government could act only on the basis of and in the light of its being understood that the settlement must be consistent with both the principles and the provisions of the [Washington] Nine Power Treaty [of February 6, 1922]; and Third, That it is the position of this Government that the provisions of the Nine Power Treaty are susceptible of modification, amendment and alteration, but only by recognized processes of negotiation and agreement, not by unilateral action on the part of any one power.

Efforts were made by various private individuals, including Dr. John Leighton Stuart, President of Yenching University near Peiping, to sound out officials on both sides and in countries not party to the hostilities; but the United States did not encourage these efforts and nothing came of them (pp. 109-124 *passim*). On March 11 Ambassador Johnson reported conversing with John Foster Dulles, then visiting China in a private capacity (pp. 119-121), while the Japanese Ambassador in London, Shigeru Yoshida, was endeavoring unofficially to promote some form of mediation (pp. 139-140, 207-209). However, as Secretary of State Hull explained to the Chinese Ambassador on August 3 (p. 252),

... this Government has been keeping in mind all phases of the mediation question since the outbreak of hostilities and that it continues to do so, but that this does not necessarily mean that there are in immediate prospect any new developments.

Estimates on the likelihood of war between Japan and the Soviet Union remained more or less unchanged during the year, except that a crisis in Europe or fighting on the Manchuria-Korea-Siberia frontier momentarily colored predictions. The usual view was that neither country would go to war; this was modified at times by the condition that the Russians would not go to war without active support from Britain and France and perhaps also from the United States (pp. 5, 19, 116, 136, 293, 296, 310, 400, 470). For example, on August 5 American Chargé d'Affaires Alexander C. Kirk at Moscow reported (p. 470) Soviet Foreign Commissar M. M. Litvinov as telling him "that the Soviet Government 'knew' that Japan did not desire a war with the Soviet Union" but that "the only manner of dealing with those nations was to meet force or threat of force with the same weapons."

Meanwhile various forms of aid—loans and mu-

nitions—were delivered to China by various powers such as the United States, the Soviet Union, Germany, and the United Kingdom. Fear of involvement in war influenced policy in regard to extending further aid to China, although a proposal for doing so received attention from high officers in the State Department (memorandum of July 23 by John Carter Vincent, pp. 234-237). Another proposal, however, warned that “retaliatory measures against Japan” might mean a “serious risk of armed conflict” (memorandum of December 5 submitted by four Department officers, pp. 406-409). Nevertheless, definite action to aid China was advocated on December 22 by Stanley K. Hornbeck, Far East Adviser on Political Relations (pp. 425-427).

Interest in the Communist question in China increased during 1938. An instruction on February 10 to keep the Department informed of developments (pp. 78-80) was followed by a series of reports from the field in regard to Communist tactics and policies (pp. 246-247, 253-254, 273-275, 299-300, 313-314, 333-334). A report on February 17 from Manchuria (p. 444) stressed that Communists there were linked to Moscow and not to Yen-an, their center in northwest China. Ambassador William C. Bullitt on May 9 telegraphed (pp. 164-165) that Sun Fo, son of the late Sun Yat-sen, after negotiating in Moscow, had arrived in Paris with the assertion “that the Chinese Communist leaders were now cooperating in full loyalty with Chiang Kai-shek” and there “was no danger of communism in China.” Sun told of a long talk with Stalin, who “was apprehensive that Germany might attack the Soviet Union if the Soviet Union should make war on Japan.” Ambassador Johnson followed this with a despatch on May 23 (pp. 173-181) reviewing political events in China since December 1936 when Generalissimo Chiang Kai-shek was kidnapped at Sianfu. The outcome of his detention “left the Chinese Government and its leadership definitely pledged to a policy of resistance by force to further Japanese encroachment” (p. 175).

“The path of Soviet Russia has been a wary one,” wrote Mr. Johnson, but their hope was “that the Chinese would continue resistance to Japan to the point where Japan would be exhausted, believing that a Japan exhausted and occupied in China would not be a menace to Soviet Russia” (p. 180). The Ambassador concluded a lengthy survey by saying, “The East is apparently doomed to a pe-

riod of warfare and turmoil which will last for years” (p. 181). In another despatch, dated November 19, Mr. Johnson described the editorial policy of a Communist paper at Chungking and summarized it as follows (p. 389): “In short, this newspaper pleads for a coalition of the democracies, including China and the Soviet Union, to curb what it terms the ‘Fascist group.’” Japan, Germany, and Italy were meant. As late as November 29 the Ambassador reported (p. 398) that Chinese Communist leaders were then “sincerely desirous, even at the expense of fundamental principles, of cooperating with other anti-Japanese elements in the task of expelling the Japanese from Chinese territory.”

Copies of this volume (iii, 768 pp.) may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for \$3.50 each.

Recent Releases

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How Foreign Policy Is Made. Pub. 5585. General Foreign Policy Series 92. 20 pp. 15¢.

A pamphlet which summarizes the factors and considerations involved in determining the course of American foreign policy.

Foreign Service List, October 1, 1954. Pub. 5605. 122 pp. 40¢.

A quarterly list which includes the field staffs of the U.S. Foreign Service, the U.S. Information Agency, and the Foreign Operations Administration.

Your Opinion Counts. Pub. 5606. General Foreign Policy Series 93. 12 pp. 10¢.

A pamphlet aimed at making the American public more aware of its role in formulating foreign policy.

The Philippine Rehabilitation Program—Report to the President by the Secretary of State, August 31, 1954. Pub. 5611. Far Eastern Series 67. 30 pp. Limited distribution.

A report on the program of aid sponsored by the United States Government under Title III of the Philippine Rehabilitation Act of 1946.

A Message for America. Pub. 5631. General Foreign Policy Series 95. 4 pp. Limited distribution.

By Walter Bedell Smith . . . on his retirement as Under Secretary of State, October 1, 1954.

Human Rights—A Guide Book for Community Leaders. Pub. 5636. International Organization and Conference Series IV, 24. 24 pp. Limited distribution.

Some background information prepared by the U.S. National Commission for UNESCO for the use of community leaders in initiating programs for the observance of Human Rights Day.

American Principles. Strengthening Man's Hope for Peace on Earth (Eisenhower) 980

American Republics. Results of Inter-American Economic Conference (statement and text of final declaration) 984

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*714	12/12	Dulles: death of Hugh Gibson.
715	12/13	Agreement with Guatemala.
*716	12/14	Agreement with Philippines.
717	12/14	U.S.-Philippine negotiations.
718	12/14	Dulles: departure for NATO meeting.
719	12/15	Robertson: U.S.-Philippine negotiations.
720	12/16	Resumption of relations with Honduras.
721	12/17	Danish dollar imports.
†722	12/17	Release of Colombo plan report.

*Not printed.
†Held for a later issue of the BULLETIN.

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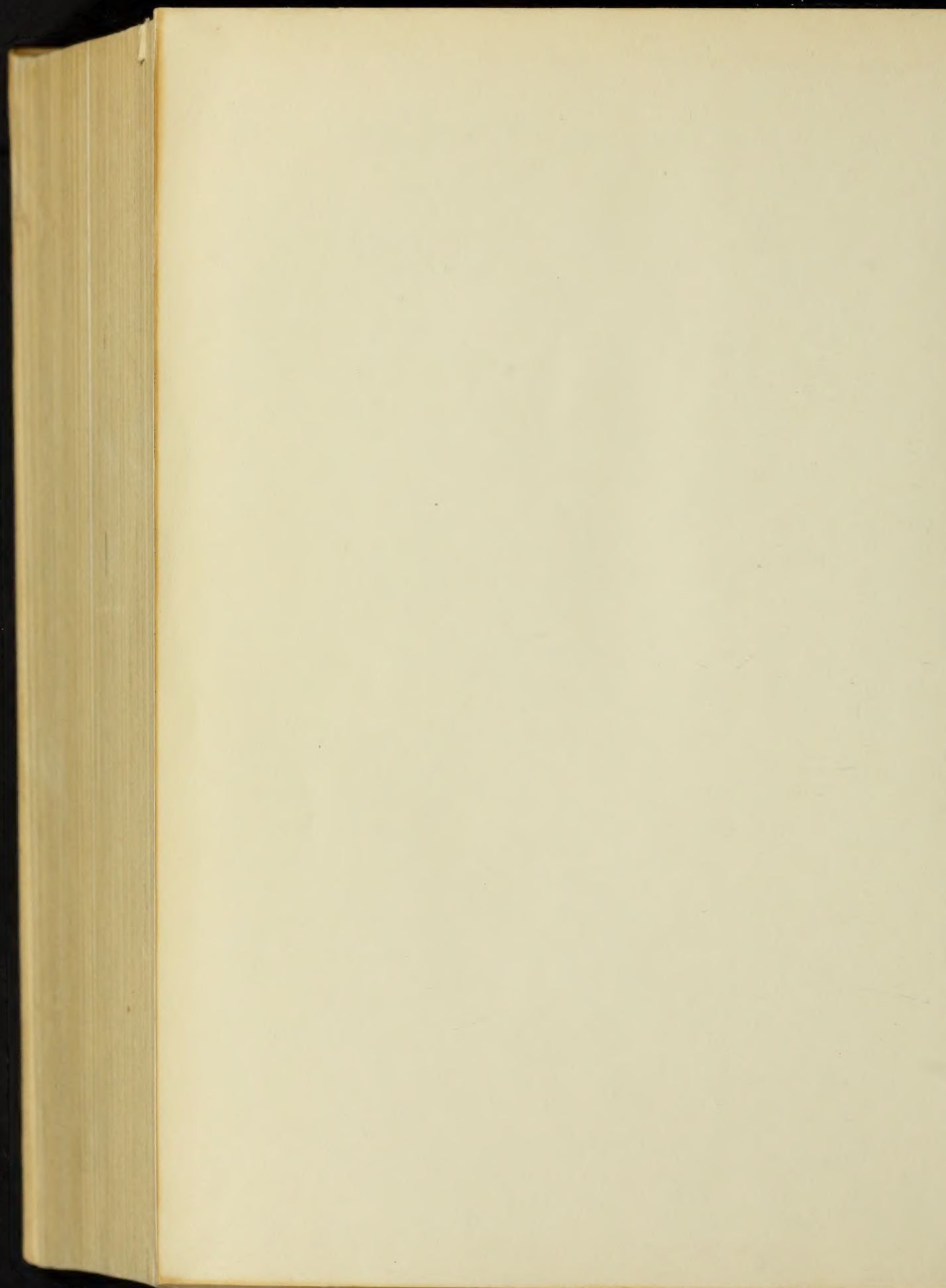
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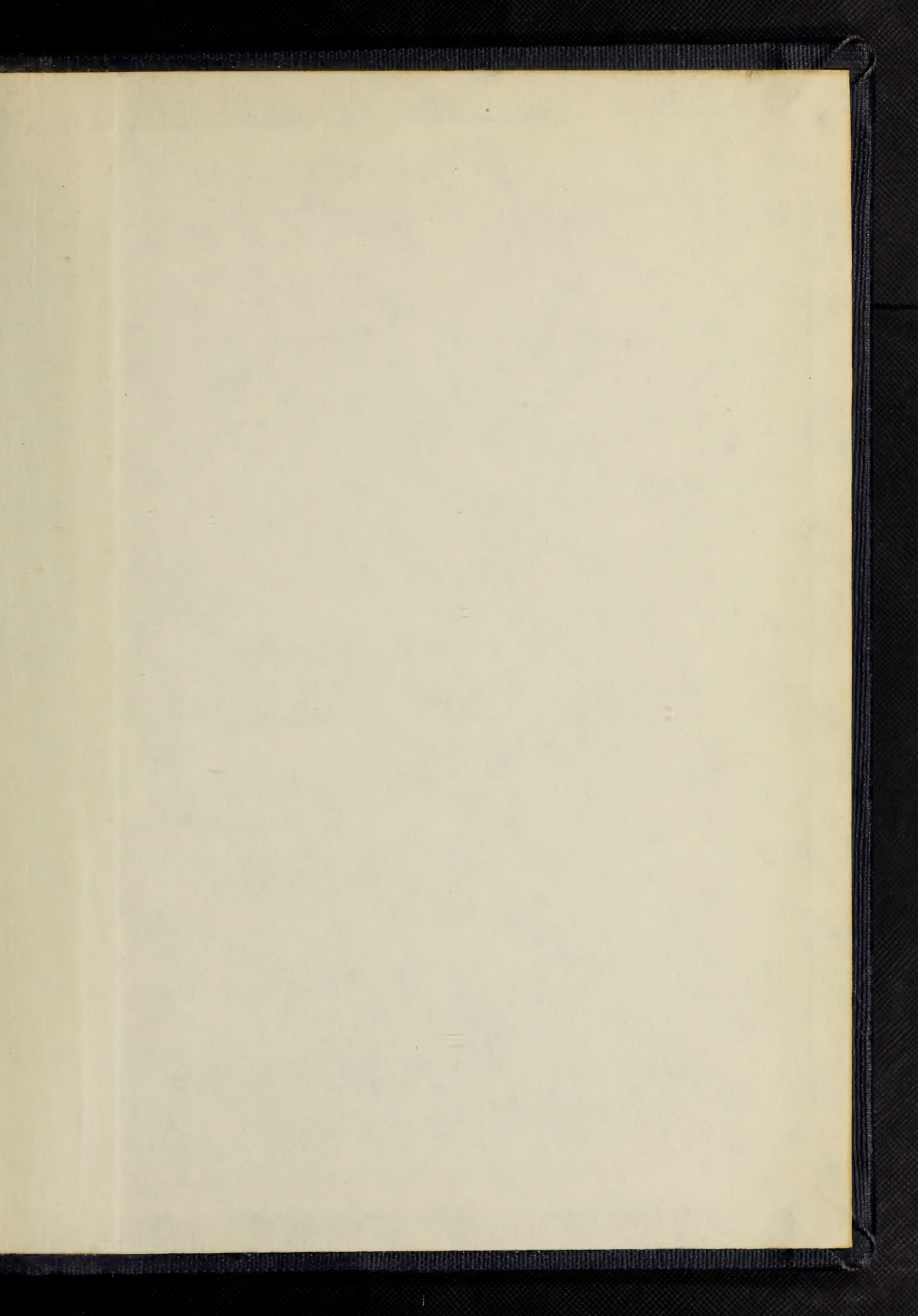
PUBLICATION 6272

Released April 1956

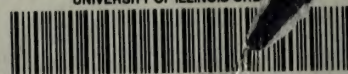
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